



Household Income and Expenditure Trends in the First Quarter of 2021

1. Income

- The average monthly household income amounted to 4.384 million won in the first quarter of 2021, which rose by 0.4% from the first quarter of 2020. (At 2015 prices a drop of 0.7% from the first quarter of 2020)

<Table 1> Average monthly income per household

(Unit: 1,000 won, %, year-on-year)

	Amount					Percent change	
	1Q 2020	Compo- sition	4Q 2020	1Q 2021	Compo- sition	4Q 2020	1Q 2021
Household size (person)	2.40	-	2.39	2.37	-	-	-
Age of household head (age)	52.4	-	52.5	52.8	-	-	-
Income	4,366	100.0	4,362	4,384	100.0	1.8	0.4
Current income	4,253	97.4	4,280	4,300	98.1	1.5	1.1
Employee income	2,816	64.5	2,738	2,778	63.4	0.4	-1.3
Self-employment income	779	17.9	937	767	17.5	-3.9	-1.6
Property income*	38	0.9	25	33	0.7	-0.9	-14.4
Transfer income	620	14.2	580	723	16.5	18.7	16.5
Public transfer	388	8.9	375	497	11.3	20.5	27.9
Private transfer	232	5.3	205	226	5.2	15.6	-2.4
Non-current income*	113	2.6	81	83	1.9	16.3	-26.2

* Pay attention to a high relative standard error (RSE).

2. Consumption Expenditure

- The average monthly consumption expenditure per household marked 2.419 million won in the first quarter of 2021, which grew by 1.6% from the first quarter of 2020. (At 2015 prices a rise of 0.5% from the first quarter of 2020)
- The expenditures on 'Food and non-alcoholic beverages', 'Housing, water, electricity and other fuels', 'Furnishings, household equipment and routine household maintenance' and 'Education' grew by 7.3%, 6.8%, 14.1% and 8.0%, respectively.
- The expenditures on 'Health', 'Transport', 'Recreation and culture' and 'Restaurants and hotels' fell by 4.5%, 2.9%, 9.4% and 2.4%, respectively.

<Table 2> Average monthly consumption expenditure per household

(Unit: 1,000 won, %, year-on-year)

	Amount					Percent change	
	1Q 2020	Compo- sition	4Q 2020	1Q 2021	Compo- sition	4Q 2020	1Q 2021
Consumption expenditure	2,380	100.0	2,408	2,419	100.0	-2.3	1.6
Food and non-alcoholic beverages	358	15.0	394	384	15.9	15.1	7.3
Alcoholic beverages and tobacco	34	1.4	36	36	1.5	7.8	6.0
Clothing and footwear	97	4.1	144	107	4.4	-11.9	9.3
Housing, water, electricity and other fuels	318	13.4	279	340	14.0	2.3	6.8
Furnishings, household equipment and routine household maintenance	104	4.4	128	119	4.9	10.1	14.1
Health	225	9.4	229	215	8.9	9.9	-4.5
Transport	279	11.7	306	271	11.2	-5.4	-2.9
Communication	118	5.0	120	120	5.0	-6.5	1.5
Recreation and culture	152	6.4	130	137	5.7	-20.8	-9.4
Education	188	7.9	127	202	8.4	-16.8	8.0
Restaurants and hotels	300	12.6	309	292	12.1	-11.5	-2.4
Miscellaneous goods and services	207	8.7	204	195	8.1	-2.3	-5.6

3. Non-consumption Expenditure

- ☐ The average monthly non-consumption expenditure per household totaled 873 thousand won in the first quarter of 2021, which fell 1.3% from the first quarter of 2020.
- ☐ The transfer between households and the transfer to non-profit institutions decreased by 9.9% and 8.8% from the first quarter of 2020, respectively.
- ☐ The regular tax, the pension contribution and the social insurance increased by 1.4%, 4.5% and 5.8% from the first quarter of 2020, respectively.

<Table 3> Average monthly non-consumption expenditure per household

(Unit: 1,000 won, %, year-on-year)

	Amount				Percent change	
	1Q 2020	4Q 2020	1Q 2021	Compo- sition	4Q 2020	1Q 2021
Non-consumption expenditure	885	820	873	100.0	-0.4	-1.3
Regular tax	170	147	172	19.7	3.4	1.4
Non-regular tax*	18	23	26	3.0	-5.7	48.9
Pension contribution	121	136	127	14.5	4.8	4.5
Social insurance	139	146	148	16.9	8.0	5.8
Interest	86	83	83	9.6	-2.3	-2.9
Transfer between households	268	207	241	27.7	-3.0	-9.9
Transfer to non-profit institutions	82	78	75	8.6	-16.7	-8.8

* Pay attention to a high relative standard error (RSE).

4. Disposable Income and Surplus

- The average monthly disposable income per household was 3.511 million won in the first quarter of 2021, which went up by 0.8% from the first quarter of 2020.
- The surplus amounted to 1.092 million won, which fell by 0.9% from the first quarter of 2020.
- The surplus rate stood at 31.1%, down 0.5%p from the first quarter of 2020.
- The propensity to consume stood at 68.9%, up 0.5%p from the first quarter of 2020.

<Table 4> Average monthly surplus and propensity to consume per household

(Unit: 1,000 won, %, %p, year-on-year)

	Amount			(Percent) change	
	1Q 2020	4Q 2020	1Q 2021	4Q 2020	1Q 2021
Disposable income ¹⁾	3,482	3,542	3,511	2.3	0.8
Surplus ²⁾	1,102	1,134	1,092	13.7	-0.9
Surplus rate (%) ³⁾	31.7	32.0	31.1	3.2p	-0.5p
Propensity to consume ⁴⁾	68.3	68.0	68.9	-3.2p	0.5p

Note) 1. Disposable Income = Income - Non-consumption Expenditure

2. Surplus = Disposable Income - Consumption Expenditure

3. Surplus Rate = (Surplus / Disposable Income) × 100

4. Propensity to Consume = (Consumption Expenditure / Disposable Income) × 100

5. Income and Expenditure by Income Quintile

- In the first quarter of 2021, the average monthly income of the lowest quintile amounted to 910 thousand won, which rose by 9.9% from the first quarter of 2020. The average monthly income of the highest quintile amounted to 9.714 million won, which decreased by 2.8% from the first quarter of 2020.
- The disposable income of the lowest quintile totaled 728 thousand won, which grew by 11.6% from the first quarter of 2020.
 - The propensity to consume of the lowest quintile stood at 154.5%, down 2.5%p from the first quarter of 2020.
- The disposable income of the highest quintile totaled 7.58 million won, which declined by 3.4% from the first quarter of 2020.
 - The propensity to consume of the highest quintile stood at 56.5%, up 1.5%p from the first quarter of 2020.

<Table 5> Income and expenditure by income quintile

(Unit: 1,000 won, %, %p, year-on-year)

	Lowest quintile		Second quintile		Third quintile		Fourth quintile		Highest quintile	
		(Percent) change		(Percent) change		(Percent) change		(Percent) change		(Percent) change
Household size (person)	1.47		1.88		2.40		2.78		3.31	
Age of household head (age)	63.2		52.9		49.9		49.1		49.2	
Income	910	9.9	2,301	5.6	3,618	2.9	5,370	1.2	9,714	-2.8
Current income	902	9.9	2,286	5.7	3,597	3.3	5,318	1.8	9,393	-1.8
Employee income	171	-3.2	1,150	-1.5	2,239	6.5	3,484	-0.7	6,842	-3.9
Self-employee income	87	-1.5	401	2.6	694	-11.8	1,042	-3.7	1,611	4.0
Property income	13	21.7	20	7.2	23	-24.7	33	25.7	75	-28.8
Transfer income	631	15.8	716	22.0	642	13.5	759	24.2	866	9.3
Public transfer	436	23.1	508	37.0	458	29.5	540	48.2	542	8.5
Private income	195	2.2	209	-3.6	184	-13.1	219	-11.2	324	10.5
Non-current income	8	5.2	15	-11.5	21	-33.8	52	-36.9	321	-24.7
Household expenditure	1,306	8.9	2,007	2.9	2,854	2.8	3,870	-1.6	6,417	-0.6
Consumption expenditure	1,125	9.8	1,623	2.3	2,217	5.7	2,845	-1.0	4,282	-0.7
Non-consumption expenditure	182	3.4	385	5.6	637	-6.2	1,025	-3.1	2,135	-0.4
Disposable income ¹⁾	728	11.6	1,917	5.6	2,981	5.1	4,345	2.2	7,580	-3.4
Surplus ²⁾	-397	-6.7	294	28.4	763	3.5	1,500	8.9	3,297	-6.7
Surplus rate (%) ³⁾	-54.5	2.5p	15.3	2.7p	25.6	-0.4p	34.5	2.1p	43.5	-1.5p
Propensity to consume (%) ⁴⁾	154.5	-2.5p	84.7	-2.7p	74.4	0.4p	65.5	-2.1p	56.5	1.5p

Note) 1. Disposable Income = Income - Non-consumption Expenditure

2. Surplus = Disposable Income - Consumption Expenditure

3. Surplus Rate = (Surplus / Disposable Income) × 100

4. Propensity to Consume = (Consumption Expenditure / Disposable Income) × 100