

## HOUSEHOLD DISPOSABLE INCOME

Household disposable income, as a concept, is closer to the concept of income generally used in economics and is an important indicator of well-being and living standards. Ignoring changes in net worth that arise from capital transfers or holding gains, household disposable income can be seen as the maximum amount that households can afford to spend on consumption goods or services without having to reduce their financial or non-financial assets or to increase their liabilities.

### Definition

Household disposable income is the sum of household final consumption expenditure and savings (minus the change in net equity of households in pension funds). It also corresponds to the sum of wages and salaries, mixed income, net property income, net current transfers and social benefits other than social transfers in kind, less taxes on income and wealth and social security contributions paid by employees, the self-employed and the unemployed.

The figures shown here for the household sector include the disposable income of non-profit institutions serving households (NPISH). The price deflator used to obtain real values is consistent with that used to deflate the final consumption expenditure of households and NPISH.

### Comparability

Household disposable income is compiled according to the definitions of the 1993 *System of National Accounts*. There are, however, practical difficulties in measuring some income components, such as remittances.

### Overview

Over the period 2006-2008, household disposable income in real terms increased by around 2.5% per year among the OECD countries considered here. Household disposable income fell in real terms in Hungary, while it expanded by less than 0.5% in Italy and Germany. Its growth exceeded 10% in the Russian Federation and Estonia.

In most OECD countries, the growth of real household disposable income over the three years to 2008 was below that recorded in the three years to 1997. There are, however, several exceptions such as Japan, France, Austria, Switzerland, Sweden, Canada, Australia and the Czech Republic.

Among the major seven countries, the growth of real household disposable income fell sharply in the United Kingdom, and more moderately in the United States, Germany and Italy. In 2008, for all countries except Canada, Germany, Portugal, and the United Kingdom, growth rates in household disposable income fell compared to 2007. With a few notable exceptions, such as Hungary, growth rates in non OECD countries and former transition economies tended to be higher than in other OECD countries.

### Sources

- OECD (2009), *National Accounts of OECD Countries 2009, Volume IIa, Detailed Tables*, OECD, Paris.
- OECD (2010), *National Accounts at a Glance 2009*, OECD, Paris.

### Further information

#### Methodological publications

- OECD (2007), *Understanding National Accounts*, OECD, Paris.
- OECD (2000), *OECD Glossaries, System of National Accounts, 1993 – Glossary*, OECD, Paris.
- UN, OECD, IMF, Eurostat (eds.) (1993), *System of National Accounts 1993*, United Nations, Geneva.

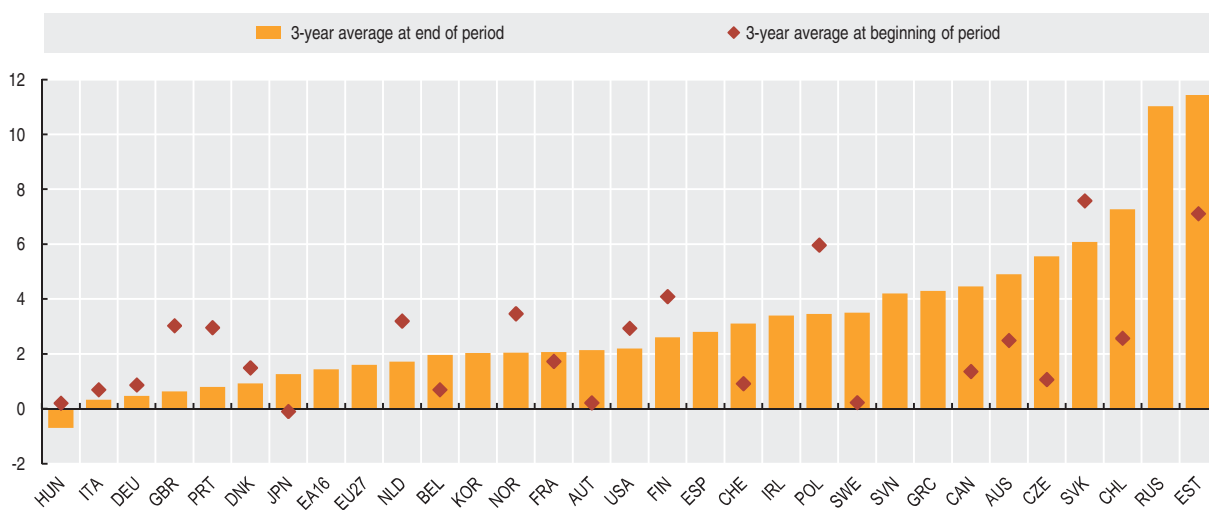

**Household disposal income**

Annual growth in percentage

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Australia	4.1	2.3	1.1	4.0	4.2	4.1	1.3	0.1	4.9	5.6	4.5	4.6	..	..
Austria	..	-0.1	-1.6	2.4	3.8	1.9	0.0	1.2	1.9	2.4	2.6	3.0	1.7	1.7
Belgium	..	-0.6	0.6	2.1	2.4	1.8	3.1	-0.4	-0.3	-0.2	0.1	2.9	1.8	1.2
Canada	1.8	0.1	2.2	2.8	2.9	4.8	2.8	1.8	2.1	3.8	2.5	5.7	3.4	4.3
Czech Republic	..	3.7	2.2	-2.6	2.1	1.0	0.9	2.8	5.3	0.8	5.3	6.8	6.6	3.3
Denmark	..	1.4	0.2	2.9	-2.9	0.5	3.7	1.4	2.1	2.9	2.0	2.9	0.2	-0.3
Finland	7.4	0.0	5.0	2.7	4.5	0.4	3.4	2.3	5.7	4.1	1.3	2.5	3.3	2.0
France	3.1	0.6	1.5	3.4	3.1	3.4	3.4	3.7	0.6	2.4	1.4	2.5	3.1	0.6
Germany	..	1.1	0.3	1.2	2.2	1.9	2.1	-0.4	0.5	0.2	0.6	1.0	-0.2	0.6
Greece	..	..	..	..	..	..	3.2	3.6	5.0	4.4	3.4	5.1	..	..
Hungary	..	-2.4	-0.2	3.3	1.3	3.1	6.0	8.1	5.8	5.5	2.2	2.7	-1.8	-2.9
Ireland	..	..	..	..	..	..	..	..	1.9	6.8	3.5	4.4	4.2	1.6
Italy	0.3	1.8	0.0	-1.1	1.0	0.3	3.0	1.1	0.1	0.6	0.5	0.7	0.7	-0.4
Japan	..	..	0.3	-0.1	-0.5	-0.9	-2.1	1.3	-0.7	1.7	1.7	1.3	0.8	..
Korea	..	..	..	..	..	..	0.9	3.4	4.9	4.7	2.3	2.6	2.7	0.8
Netherlands	2.7	2.8	4.1	3.4	2.3	2.2	5.5	-0.6	-2.4	0.7	-0.3	0.6	4.4	0.2
New Zealand	4.0	5.1	0.8	1.7	2.8	3.0	..	..	..	..	..	..	..	..
Norway	2.9	3.8	3.7	5.7	2.5	3.8	0.0	8.0	4.4	3.6	7.6	-6.3	5.4	..
Poland	..	5.3	7.1	5.5	3.5	1.7	3.8	-0.9	1.3	3.6	1.4	4.4	4.6	..
Portugal	..	1.6	2.4	4.9	5.0	4.2	2.5	1.0	0.0	1.6	0.8	0.5	-0.2	2.1
Slovak Republic	..	13.7	4.6	4.7	-1.3	2.0	3.0	5.1	-0.6	3.9	6.2	3.7	9.3	5.3
Spain	..	..	..	..	..	..	3.0	3.1	3.2	3.1	4.1	3.2	2.9	2.3
Sweden	..	-0.9	-0.4	2.0	2.6	4.6	6.2	3.6	1.4	1.3	1.2	3.3	3.6	3.6
Switzerland	..	-1.3	1.3	2.8	2.7	3.7	2.7	-1.2	-0.7	2.1	2.6	3.0	3.7	..
United Kingdom	..	3.0	4.1	2.0	2.5	4.0	4.4	1.8	3.1	0.4	2.2	0.2	-0.1	1.8
United States	2.7	2.8	3.3	6.0	3.1	4.8	2.5	3.6	2.9	3.0	1.4	3.9	1.9	0.8
Euro area	..	..	..	..	..	2.2	2.9	1.4	0.8	1.5	1.3	1.8	1.6	0.9
EU27 total	..	..	..	..	..	2.5	3.3	1.6	1.6	1.4	1.7	1.7	1.6	1.5
Chile	..	..	3.8	4.9	-0.9	3.5	3.2	2.2	3.4	7.8	7.7	7.0	7.1	..
Estonia	..	9.7	9.5	2.3	-1.8	9.1	6.4	8.6	5.6	5.5	10.5	12.1	11.7	..
Russian Federation	..	..	..	..	..	..	..	..	7.9	9.8	11.3	12.0	..	..
Slovenia	..	..	..	..	..	..	4.7	3.3	0.5	4.0	4.9	3.1	4.6	..

 StatLink <http://dx.doi.org/10.1787/823771515813>
**Household disposal income**

Average annual growth in percentage


 StatLink <http://dx.doi.org/10.1787/818188300134>



**From:**  
**OECD Factbook 2010**  
Economic, Environmental and Social Statistics

**Access the complete publication at:**  
<https://doi.org/10.1787/factbook-2010-en>

**Please cite this chapter as:**

OECD (2010), "Household Disposable Income", in *OECD Factbook 2010: Economic, Environmental and Social Statistics*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/factbook-2010-13-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).