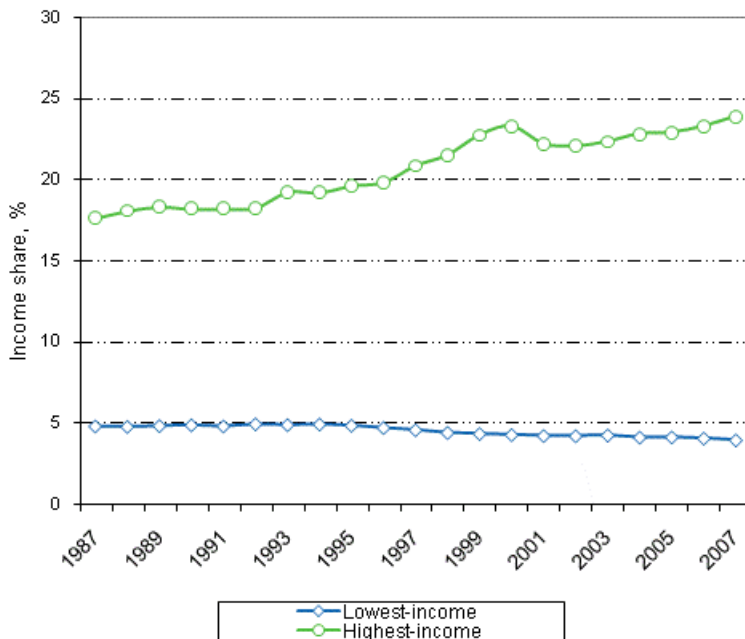


Income Distribution Statistics 2007

Growth of income differentials continued in 2007

The development in the income of the lowest-income population groups was weaker than the average in 2007 and income differentials grew from the previous year in Finland. The median disposable income per consumption unit grew by 2,4 per cent among the household population. The median income of the lowest-income decile diminished by 0.4 per cent while that of the highest-income decile grew by 3.4 per cent. Relative to the whole population, the development in the income of certain low-income groups, such as students and single carers, has been very weak throughout the 2000s.

Figure 1. Development in the income share of the highest and lowest-income decile in 1987-2007



Income differentials between the socio-economic groups have grown in the 2000s. Measured with equivalent disposable income, students are the lowest-income socio-economic group with the median income of EUR 9,200 in 2007, whereas the same figure for all households was EUR 20,900. From 2006 to 2007, students' income diminished by nearly 4 per cent, which puts it at the same level as in 2000. Unemployed and other economically inactive persons were the socio-economic groups with the next lowest income. In these groups, too, income has been growing more slowly than the average for all households in the 2000s. The income of the socio-economic group with the next lowest income, i.e. pensioner households, grew by only 0.6 per cent from the previous year in 2007.

The income level of the households of self-employed persons was just over EUR 26,000 and the development in their income was the most favourable among all socio-economic groups in 2007. Upper-level salaried employees were the socio-economic group with the highest income level of good EUR 30,000. The income of upper-level salaried employees has developed averagely in recent years.

The development in the income of families with children has been weaker than average for a long time. The development in the income of two-carer families with children has halted to the level of 2005, at around EUR 22,500. The income of single carers has been falling continuously since 2004. In 2007, it amounted to EUR 15,400. By contrast, the development in the income of couples without children has for a long time now been better than in other population groups. This favourable development continued in 2007: their income grew by 2.6 per cent from the previous year. The income growth in one-person households has been slightly weaker than the average in the 2000s. The income level of young and aged single persons has remained clearly below that of single persons between the ages of 35 and 64.

Approximately 35 per cent of the population lived in rented dwellings. The majority of these 777,000 households were one- or two-person households. Among the persons living in rental dwellings the disposable income per consumption unit was around 60 per cent of the income of persons living in owner-occupied dwellings. Since 1995, income level has risen by 40 per cent among persons living in owner-occupied dwellings and by 20 per cent among persons living in rental dwellings.

By international comparison, income inequality in Finland is still lower than the average in Europe or among OECD countries. In a comparison of 28 European countries, relative income differentials in Sweden, Norway and Denmark, as well as in Slovenia, Slovakia, the Czech Republic and Hungary were smaller than in Finland. Among the compared countries, relative income differentials were largest in Portugal, the Baltic States, Greece and Great Britain. However, a study concerning the OECD countries showed that since the mid-1990s income differentials have grown faster in Finland than in any other OECD country.

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Appendix tables

1. Income shares of decile groups (%) in 1966-2007. Decile groups have been formed among persons according to disposable income per consumption unit

Year	Decile group										Total	S80/S20
	I (Lowest-income 10%)	II	III	IV	V	VI	VII	VIII	IX	X (Highest-income 10%)		
1966	3,2	4,8	5,9	6,9	8,0	9,3	10,7	12,4	15,1	23,8	100,0	4,9
1971	3,7	5,4	6,5	7,5	8,5	9,6	10,7	12,2	14,4	21,4	100,0	3,9
1976	4,5	6,2	7,2	8,1	9,1	10,0	11,0	12,1	13,6	18,4	100,0	3,0
1981	4,3	6,3	7,4	8,4	9,3	10,1	11,0	12,1	13,6	17,5	100,0	2,9
1987	4,8	6,6	7,5	8,3	9,2	10,0	10,9	11,9	13,4	17,6	100,0	2,7
1988	4,8	6,5	7,5	8,3	9,1	9,9	10,8	11,8	13,4	18,0	100,0	2,8
1989	4,8	6,4	7,4	8,2	9,1	9,9	10,8	11,9	13,4	18,3	100,0	2,8
1990	4,9	6,5	7,4	8,2	9,0	9,9	10,8	11,8	13,4	18,1	100,0	2,8
1991	4,8	6,6	7,5	8,3	9,1	9,8	10,7	11,8	13,4	18,1	100,0	2,8
1992	4,9	6,7	7,5	8,3	9,0	9,8	10,7	11,7	13,2	18,2	100,0	2,7
1993	4,9	6,5	7,4	8,1	8,9	9,6	10,5	11,7	13,3	19,2	100,0	2,9
1994	4,9	6,5	7,3	8,1	8,8	9,6	10,5	11,6	13,4	19,2	100,0	2,9
1995	4,8	6,4	7,3	8,0	8,8	9,6	10,5	11,7	13,4	19,6	100,0	2,9
1996	4,7	6,3	7,2	8,0	8,8	9,6	10,5	11,7	13,5	19,8	100,0	3,0
1997	4,6	6,1	7,0	7,8	8,6	9,4	10,5	11,7	13,6	20,8	100,0	3,2
1998	4,4	5,9	6,8	7,7	8,6	9,5	10,5	11,7	13,5	21,5	100,0	3,4
1999	4,3	5,8	6,7	7,6	8,4	9,3	10,3	11,5	13,3	22,7	100,0	3,6
2000	4,3	5,7	6,6	7,5	8,3	9,2	10,3	11,5	13,4	23,3	100,0	3,7
2001	4,2	5,8	6,7	7,6	8,5	9,4	10,4	11,7	13,6	22,2	100,0	3,6
2002	4,2	5,7	6,7	7,7	8,5	9,5	10,4	11,7	13,5	22,1	100,0	3,6
2003	4,2	5,7	6,7	7,6	8,5	9,4	10,4	11,6	13,6	22,3	100,0	3,6
2004	4,1	5,6	6,6	7,5	8,4	9,3	10,4	11,6	13,6	22,8	100,0	3,7
2005	4,1	5,6	6,6	7,5	8,4	9,3	10,3	11,7	13,5	22,9	100,0	3,8
2006	4,0	5,5	6,5	7,5	8,3	9,3	10,4	11,6	13,6	23,3	100,0	3,9
2007	3,9	5,4	6,5	7,4	8,3	9,2	10,3	11,6	13,6	23,9	100,0	4,0

- Due to rounding the shares do not always sum up to 100.
- Due to revisions to income concepts the figures for 1966–1981, 1987–1992 and 1993–2007 are not fully comparable with each other.
- S80/S20 = ratio between income shares of highest and lowest income quintile.

2. Gini-coefficients for factor income, gross income and disposable income, and redistributive effect of current transfers on income differentials in 1966–2007.

Year	Gini-coefficient, %			Redistributive effect of current transfers on income differentials		
	Factor income	Gross income	Disposable income	Current transfers received	Current transfers paid	Combined effect
1966	38,9	33,4	30,9	14,3	7,5	20,7
1971	38,5	30,9	26,7	19,8	13,4	30,6
1976	35,3	26,3	21,5	25,4	18,2	39,0
1981	35,8	25,2	20,5	29,4	18,7	42,6
1987	38,0	25,1	19,7	33,9	21,5	48,1
1988	38,8	25,8	20,2	33,4	21,8	47,9
1989	39,3	26,1	20,5	33,5	21,7	47,9
1990	38,9	25,6	20,2	34,2	20,8	47,9
1991	39,5	25,1	20,1	36,4	19,8	49,0
1992	42,1	25,2	19,9	40,1	21,1	52,8
1993	45,1	26,2	21,1	41,9	19,5	53,2
1994	45,8	26,1	21,1	42,9	19,3	54,0
1995	45,5	26,6	21,7	41,5	18,4	52,3
1996	45,8	27,3	22,3	40,5	18,2	51,3
1997	46,3	28,4	23,7	38,7	16,3	48,7
1998	46,0	29,2	24,8	36,4	15,3	46,1
1999	46,4	30,1	25,9	35,0	14,1	44,1
2000	46,5	30,8	26,7	33,7	13,3	42,6
2001	45,8	29,9	25,8	34,7	13,7	43,7
2002	45,4	29,7	25,6	34,5	13,7	43,5
2003	45,4	29,6	26,0	34,7	12,4	42,8
2004	46,0	30,2	26,6	34,2	11,8	42,0
2005	45,9	30,6	26,7	33,4	12,7	41,9
2006	46,7	31,4	27,3	32,9	13,1	41,7
2007	46,4	31,9	28,0	31,3	12,1	39,6

- Due to revisions to income concepts the figures for 1966–1981, 1987–1992 and 1993–2007 are not fully comparable with each other.
- Current transfers received: Relative change in Gini-coefficient (%) when moving from factor income to gross income.
- Current transfers paid: Relative change in Gini-coefficient (%) when moving from gross income to disposable income.
- Combined effect of current transfers: Relative change in Gini-coefficient (%) when moving from factor income to disposable income.

3a. Mean income by decile group in 1987 - 2007. Decile groups have been formed among persons according to disposable income per consumption unit

Year	Average equivalent disposable income, EUR (in 2007 currency)									
	Decile group									
	I (Lowest-income 10%)	II	III	IV	V	VI	VII	VIII	IX	X (Highest-income 10%)
1987	7 572	10 385	11 855	13 239	14 552	15 861	17 235	18 840	21 208	27 878
1988	7 752	10 599	12 154	13 516	14 805	16 111	17 625	19 325	21 822	29 413
1989	8 244	10 998	12 725	14 120	15 539	16 940	18 482	20 355	22 974	31 382
1990	8 736	11 673	13 370	14 830	16 231	17 799	19 376	21 247	24 160	32 669
1991	8 713	11 929	13 619	15 102	16 556	17 917	19 523	21 488	24 331	33 059
1992	8 537	11 557	13 081	14 382	15 654	17 057	18 535	20 337	23 003	31 663
1993	8 226	11 064	12 503	13 718	14 941	16 288	17 868	19 783	22 602	32 536
1994	8 315	11 027	12 439	13 776	15 009	16 370	17 849	19 706	22 814	32 506
1995	8 392	11 143	12 646	13 956	15 325	16 727	18 278	20 345	23 335	34 111
1996	8 329	11 165	12 792	14 191	15 639	17 128	18 754	20 898	24 076	35 300
1997	8 486	11 379	12 977	14 503	16 052	17 641	19 557	21 868	25 309	38 883
1998	8 480	11 464	13 176	14 924	16 582	18 305	20 305	22 687	26 243	41 657
1999	8 747	11 791	13 647	15 352	17 087	18 874	20 948	23 410	26 977	46 158
2000	8 789	11 673	13 675	15 451	17 216	19 098	21 223	23 795	27 624	48 118
2001	8 733	12 012	14 032	15 926	17 685	19 610	21 738	24 351	28 279	46 305
2002	8 948	12 328	14 429	16 453	18 303	20 255	22 405	25 042	29 029	47 327
2003	9 277	12 662	14 756	16 783	18 704	20 728	23 000	25 748	30 076	49 367
2004	9 489	13 078	15 381	17 475	19 548	21 689	24 062	27 030	31 641	52 996
2005	9 822	13 365	15 851	18 032	20 265	22 405	24 784	27 921	32 464	54 915
2006	9 775	13 410	15 844	18 097	20 250	22 522	25 139	28 256	32 973	56 501
2007	9 797	13 508	16 143	18 511	20 737	23 017	25 622	28 908	34 008	59 687

3b. Median income by decile group in 1987 - 2007. Decile groups have been formed among persons according to disposable income per consumption unit

Year	Equivalent disposable income, median, EUR (in 2007 currency)									
	Decile group									
	I (Lowest-income 10%)	II	III	IV	V	VI	VII	VIII	IX	X (Highest-income 10%)
1987	8 146	10 400	11 858	13 254	14 559	15 868	17 203	18 798	21 125	25 886
1988	8 336	10 637	12 157	13 513	14 825	16 114	17 626	19 292	21 761	26 981
1989	8 768	11 014	12 756	14 115	15 544	16 935	18 455	20 329	22 854	28 614
1990	9 250	11 722	13 383	14 850	16 222	17 816	19 386	21 244	24 043	29 995
1991	9 293	11 948	13 647	15 095	16 545	17 901	19 504	21 442	24 279	30 515
1992	9 033	11 613	13 084	14 363	15 637	17 046	18 524	20 290	22 938	29 000
1993	8 899	11 071	12 514	13 708	14 943	16 279	17 871	19 744	22 521	28 951
1994	8 861	11 075	12 431	13 782	14 992	16 365	17 829	19 674	22 661	29 150
1995	8 895	11 164	12 639	13 949	15 303	16 734	18 230	20 375	23 180	29 817
1996	8 843	11 178	12 844	14 184	15 619	17 139	18 732	20 876	23 869	31 131
1997	9 086	11 393	13 031	14 557	16 082	17 666	19 552	21 849	25 186	33 220
1998	9 037	11 465	13 151	14 915	16 597	18 284	20 309	22 674	26 090	34 493
1999	9 323	11 787	13 636	15 364	17 100	18 858	20 966	23 370	26 754	36 247
2000	9 209	11 677	13 689	15 463	17 196	19 080	21 230	23 788	27 437	37 322
2001	9 276	12 026	13 995	15 949	17 657	19 601	21 744	24 261	28 160	36 948
2002	9 474	12 352	14 440	16 449	18 268	20 276	22 352	24 984	28 855	38 393
2003	9 923	12 727	14 750	16 775	18 707	20 673	22 958	25 752	29 992	39 984
2004	10 072	13 145	15 410	17 487	19 566	21 689	24 009	26 996	31 495	41 605
2005	10 418	13 346	15 859	18 002	20 268	22 378	24 670	27 886	32 298	44 023
2006	10 373	13 423	15 804	18 078	20 243	22 525	25 091	28 224	32 721	44 770
2007	10 334	13 529	16 191	18 527	20 730	23 017	25 584	28 821	33 715	46 287

4. Upper limit on income by decile group in 1987 - 2007. Decile groups have been formed among persons according to disposable income per consumption unit

Year	Upper limit for decile group, EUR (in 2007 currency). Income concept: equivalent disposable income								
	Decile group								
	I (Lowest-income 10%)	II	III	IV	V	VI	VII	VIII	IX
1987	9 512	11 154	12 542	13 914	15 197	16 524	17 998	19 782	22 887
1988	9 635	11 415	12 890	14 128	15 426	16 794	18 399	20 355	23 624
1989	10 035	11 911	13 469	14 811	16 233	17 637	19 367	21 467	24 895
1990	10 685	12 578	14 132	15 494	16 980	18 561	20 204	22 434	26 326
1991	10 950	12 797	14 363	15 854	17 219	18 672	20 445	22 673	26 428
1992	10 567	12 350	13 779	14 994	16 342	17 782	19 353	21 454	24 973
1993	10 240	11 838	13 142	14 303	15 585	17 029	18 732	20 968	24 629
1994	10 155	11 746	13 119	14 409	15 688	17 068	18 683	20 892	25 111
1995	10 211	11 982	13 304	14 649	15 989	17 457	19 189	21 510	25 688
1996	10 189	12 031	13 476	14 908	16 390	17 882	19 721	22 204	26 432
1997	10 460	12 167	13 719	15 230	16 787	18 559	20 601	23 191	27 862
1998	10 490	12 310	14 067	15 784	17 422	19 309	21 362	24 151	28 890
1999	10 718	12 767	14 482	16 197	17 968	19 832	22 072	24 889	29 843
2000	10 628	12 714	14 582	16 315	18 148	20 119	22 390	25 327	30 789
2001	10 849	13 083	14 977	16 842	18 605	20 608	22 898	26 051	31 163
2002	11 142	13 410	15 497	17 430	19 213	21 275	23 645	26 701	32 251
2003	11 438	13 708	15 817	17 691	19 704	21 851	24 168	27 462	33 304
2004	11 652	14 373	16 417	18 498	20 588	22 793	25 454	28 992	34 861
2005	11 982	14 658	16 992	19 192	21 360	23 502	26 239	29 770	36 207
2006	12 015	14 621	17 033	19 184	21 294	23 736	26 561	30 138	36 776
2007	12 101	14 940	17 253	19 639	21 798	24 289	27 123	30 955	38 062

5. Household income: structure by brackets ordered according to households' disposable income 2007.

Mean, €	Disposable income - Euro								
	0-11999	12000-19999	20000-29999	30000-49999	50000-59999	60000-79999	80000-99999	100000-	All households
Number of households interviewed	669	1 225	1 731	3 248	1 213	1 397	509	480	10 472
Number of households in population, 1000	233,9	490,4	514,6	711,1	216,8	198,3	59,0	59,3	2 483,5
Average size of households	1,05	1,22	1,74	2,52	3,08	3,25	3,30	3,05	2,10
Average number of adults	1,02	1,13	1,50	1,93	2,15	2,31	2,38	2,18	1,66
Average number of children	0,03	0,09	0,24	0,59	0,93	0,95	0,92	0,87	0,44
Average number of consumption units	1,02	1,10	1,33	1,67	1,90	1,99	2,03	1,91	1,48
Average number of economically active household members	0,10	0,31	0,64	1,19	1,68	1,83	1,84	1,66	0,92
1. Wages and salaries	1 708	5 496	15 299	31 095	51 804	66 825	78 652	91 916	27 244
2. Entrepreneurial income	139	319	827	2 204	4 127	6 574	12 390	24 357	2 640
3. Income from property	524	1 947	2 956	4 789	7 296	10 883	21 400	110 724	7 078
4. Factor income (1+2+3)	2 371	7 762	19 082	38 088	63 227	84 283	112 442	226 997	36 962
5. Current transfers received	7 829	10 789	11 453	12 514	9 505	9 361	11 597	10 426	10 926
6. Gross income (4+5)	10 200	18 551	30 535	50 602	72 732	93 644	124 039	237 422	47 888
7. Current transfers paid	804	2 642	5 837	11 200	18 147	25 565	35 890	67 375	11 102
8. Disposable income (6-7)	9 398	15 909	24 698	39 402	54 585	68 079	88 149	170 048	36 786
Disposable cash income	8 958	14 294	22 446	36 287	50 541	62 613	80 752	161 545	33 899
Cash income	9 762	16 935	28 283	47 488	68 688	88 178	116 642	228 920	45 001
Income subject to state taxation	7 276	15 131	26 718	45 444	66 123	84 495	109 382	201 120	42 146

6. Household income: structure by brackets ordered according to households' gross income 2007.

Mean, €	Gross income, €								
	0-12999	13000-19999	20000-39999	40000-59999	60000-89999	90000-109999	110000-139999	140000-	All households
Number of households interviewed	641	779	2 593	2 347	2 299	781	532	500	10 472
Number of households in population, 1000	225,4	324,7	763,9	518,0	415,9	107,4	66,4	61,9	2 483,5
Average size of households	1,07	1,19	1,73	2,50	2,98	3,19	3,20	3,02	2,10
Average number of adults	1,03	1,12	1,48	1,90	2,14	2,28	2,28	2,18	1,66
Average number of children	0,04	0,08	0,25	0,60	0,84	0,91	0,92	0,84	0,44
Average number of consumption units	1,03	1,08	1,32	1,65	1,87	1,96	1,98	1,89	1,48
Average number of economically active household members	0,08	0,21	0,62	1,20	1,65	1,84	1,81	1,69	0,92
1. Wages and salaries	1 344	2 980	13 493	30 101	51 389	69 652	81 427	100 711	27 244
2. Entrepreneurial income	101	313	786	2 396	4 063	7 934	9 535	22 876	2 640
3. Income from property	529	1 846	3 004	4 828	7 302	12 335	21 189	101 719	7 078
4. Factor income (1+2+3)	1 974	5 139	17 283	37 325	62 754	89 921	112 151	225 307	36 962
5. Current transfers received	8 026	11 181	12 017	12 163	9 597	8 723	10 076	10 003	10 926
6. Gross income (4+5)	10 001	16 320	29 300	49 488	72 351	98 644	122 227	235 310	47 888
7. Current transfers paid	633	1 876	5 311	10 759	18 081	27 531	36 318	69 543	11 102
8. Disposable income (6-7)	9 370	14 444	23 989	38 729	54 271	71 113	85 910	165 767	36 786
Disposable cash income	8 887	12 867	21 692	35 647	50 207	65 782	79 380	157 652	33 899
Cash income	9 520	14 744	27 003	46 406	68 288	93 313	115 698	227 194	45 001
Income subject to state taxation	6 728	12 647	25 293	44 485	65 699	88 919	109 339	202 824	42 146

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