

Lower Income Groups Defined

Household Budget Survey (HBS)- Income and Living Conditions Survey (ILCS)						Life Satisfaction Survey (LSS)													
Estimated median income by income quintile ^a						Upper limit of income level category						Income level categories collapsed to form income groups			Percent deviation of upper end of income level category from median income estimate		Difference from 2003 deviation (E) = D_year -D_2003		
(A)						(B)						(C)			(D) = (B - A) / A		(E) = D_year -D_2003		
Year	1st 20%	2nd 20%	3rd 20%	4th 20%	5th 20%	1	2	3	4	5	6	Lowest 10%	Lowest 30%	10-30%	Lowest 10%	Lowest 30%	Lowest 10%	Lowest 30%	
2003	269	461	649	939	2168	250	500	1000	1500	2000	∞	1	1+2	2	-7.1	8.4	0.0	0.0	
2004	322	570	811	1167	2462	319	416	583	833	1166	∞	1	1+2+3	2+3	-0.9	2.3	6.2	-6.1	
2005	367	672	961	1372	2697	350	560	780	1075	1580	∞	1	1+2	2	-4.7	<u>16.0</u>	2.4	7.6	
2006	380	660	949	1373	2338	400	600	800	1200	2500	∞	1	1+2	2	5.4	-9.2	12.4	-17.5	
2007	526	855	1208	1693	2838	400	600	800	1200	2500	∞	1+2	1+2+3	2+3 ^b	14.1	-6.5	<u>21.1</u>	-14.8	
2008	540	873	1234	1746	2986	450	700	900	1500	2500	∞	1	1+2+3	2+3	<u>-16.7</u>	3.2	-9.6	-5.2	

2009	575	948	1350	1918	3273	630	990	1650	2750	3850	∞	1	1+2	2	9.6	4.5	16.7	-3.9
2010	624	1016	1433	1984	3334	630	990	1650	2750	3850	∞	1	1+2	2	1.0	-2.5	8.1	-10.9
2011	692	1109	1562	2204	3703	630	990	1650	2750	3850	∞	1	1+2	2	-8.9	-10.7	-1.9	<u>-19.1</u>
Std. dev.															9.10	8.20	9.10	8.20

Sources: Compiled by the author from the HBS (2003-2005), the ILCS (2006-2011), and the LSS (2003-2011).

Notes:

^a Entries are mean monthly household incomes for 2003-2005 and median monthly household incomes for 2006-2011. The median monthly household incomes were not available for the 2003-2005 period; however, the difference between the mean and median is very small, particularly for the middle income groups. For instance, in 2007, the mean for the second quintile was 858 and the median was 855. The median income earner in the lowest 20 percent group is the last person in the lowest 10 percent group and median income earner in the 20-40 percent group is the first person in the 30 percent income group.

^b The 10-30 percent income group is defined as income level categories 2 and 3 because using only income level 3 would have significantly narrowed the income range as measured by the difference in deviation between the 2007 and 2003 surveys (21.1 percent for the upper end of the lowest 10 percent and -14.8 percent for the upper end of the lowest 30 percent, which indicates a 35.9 percent point reduction using a rough calculation $(-14.8 - 21.1 = -35.9)$). Lowering the lower end of the 10-30 percent income group by using both income level categories 2 and 3 make the income range longer, by the same calculation, than the 2003 income range by 15.0 percent $(-14.8 + 29.8 = 15.0)$.