



Press release

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Prosperity increased in last decades

- Households have one quarter more to spend than 33 years ago
- Purchasing power declining after years of growth
- Income inequality almost unchanged in last 10 years
- Households have less capital than in 2008
- Rich people are happier and have healthier lifestyles

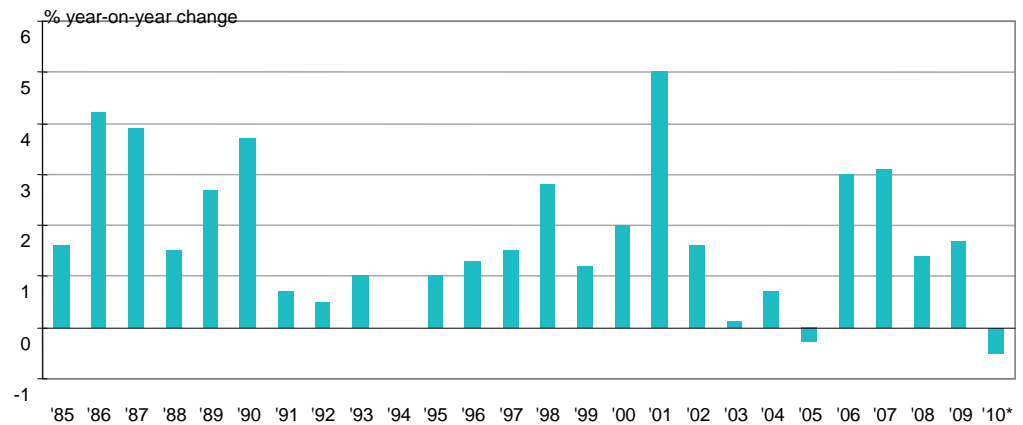
The disposable income of Dutch households was 33.2 thousand euro on average in 2010. Taking into account inflation and the increasingly smaller sizes of households, an average household now has one quarter more to spend than in 1977. Not counting business cycle ups and downs, household income has gradually increased in these three decades. Couples without children or with adult children have more income on average than other couples. Single-parent families have the lowest incomes, especially those with young children.

The publication *Welvaart in Nederland* (Prosperity in the Netherlands; published in Dutch only) has been compiled to mark the 25th anniversary of Statistics Netherlands' income panel survey, one of the mainstays of its household and personal prosperity statistics. This special edition presents the most recent national and regional figures on aspects of prosperity, such as income, capital and spending. It also examines long-term trends. Special attention is paid to groups at the top and at the bottom of the prosperity ladder.

Purchasing power down in 2012 after years of increase

Broadly in line with the developments in the economy, the purchasing power of the Dutch population has risen almost continuously in the last 25 years. The peak in 2001 was mainly the effect of the tax reforms in that year. In 2010, however, purchasing power fell by 0.5 percent, the largest decrease since 1985. Pensioners, in particular, were affected by a loss of purchasing power of 1.0 percent. Employees and the self-employed were able to retain their level of purchasing power. The self-employed, whose purchasing power had decreased by 1.1 percent in 2009, were not able to improve their income situations and remained at a lower level than one year previously. Households claiming income support were the only group whose purchasing power improved in 2010.

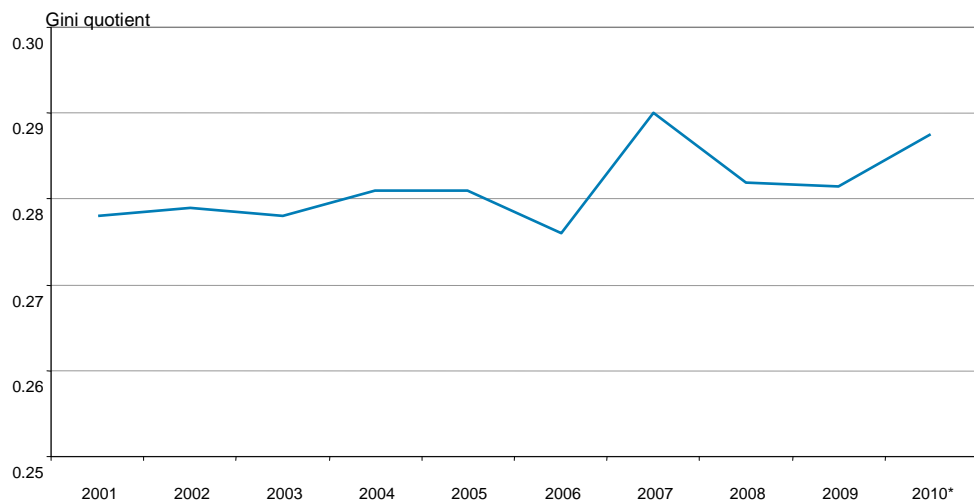
Purchasing power



Income inequality relatively small in the Netherlands

Compared with other countries, income inequality in the Netherlands is relatively small. Moreover, the inequality has hardly changed in the last ten years. In 2007 the economy was thriving and self-employed households in particular benefited from this. This widened inequality slightly. However, the self-employed were the first to suffer the adverse effects of the economic crisis in 2008 and 2009, which had a levelling effect on incomes. In 2010 income inequality rose slightly again.

Income inequality of households



Household capital decreased since 2008

The median capital of Dutch households rose from 41 thousand euro in 2006 to 49 thousand euro in 2008. It subsequently fell by 40 percent, to 29 thousand euro in 2011. This decrease in capital is mainly the result of the decrease in value of own homes. Nearly six in ten Dutch households own their home. The average value of these properties fell from 256 thousand euro at the beginning of 2008 to 233 thousand euro at the beginning of 2011. Mortgage debts also rose in this period: from 143 thousand to 160 thousand euro.

Richer people feel better and live healthier lives

Around 16 percent of Dutch households are very prosperous: they belong to the 10 percent of households with the highest income and/or the 10 percent with the most capital. Relatively more people in these affluent households than in the less affluent ones say they are happy, although the difference is not very large: 93 percent versus 88 percent. Prosperous people aged 12 years and older smoke significantly less, but do drink more alcohol, and also drink more often. Fewer of them are seriously obese, and more of them participate actively in sports than less prosperous people.