

Income: Household income after housing costs

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Household income after housing costs is the median amount that households have in gross weekly income after housing costs have been deducted; sometimes called ‘residual income’ or ‘disposable income net-of-housing-costs’. Household income after deducting housing costs is a useful measure for understanding the real-life differences in ‘consumption possibilities’ for households, as it provides a picture of the actual living conditions that households experience [7].

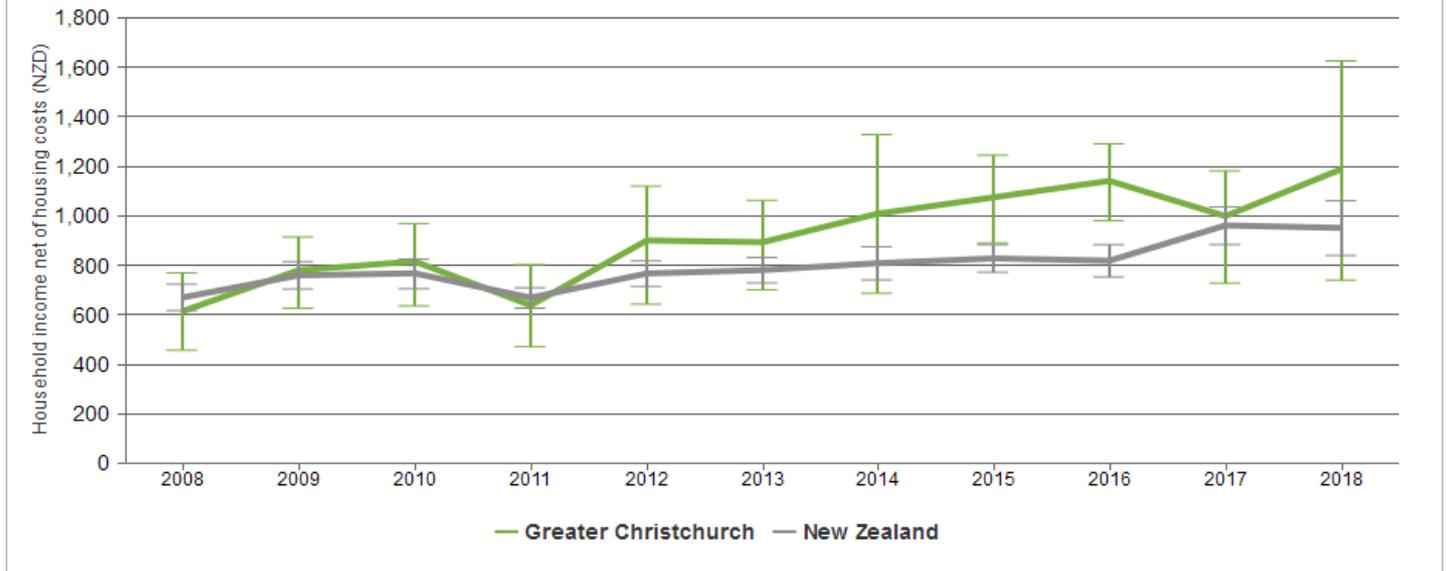
With an adequate ‘residual income’, a household can better access essential services and items; such as food, health services, and transport, and can participate in social and recreational activities in the community. Having sufficient income is also associated with better educational and economic outcomes, as well as better health and wellbeing [6]. For households with similar income and similar other characteristics, the consumption possibilities are much greater for households with low housing costs than for those with high housing costs.

This indicator presents median equivalised gross weekly household income net of housing costs, for home owners, and for renters. Housing costs include combinations of rent, mortgage (principal and interest), insurance, rates, and other housing expenses not elsewhere classified but exclude repairs and maintenance.



The figure shows that median equivalised gross weekly household income net of housing costs for home owners has increased steadily for those in greater Christchurch and for New Zealanders overall, over the last ten years (an approximately \$500 increase from 2008 to 2018). There are no statistically significant differences between greater Christchurch and New Zealand at any point across the time-series. Generally, home owners have higher median weekly household incomes net of housing costs compared with those who rent (Figure 2.2), both in greater Christchurch and in New Zealand overall.

Figure 2.2: Median equivalised gross weekly household income net of housing costs for renters, in greater Christchurch and New Zealand, 2008–2018



The figure shows that median equivalised gross weekly household income net of housing costs, for renters, has increased steadily for those in greater Christchurch, since 2011 (an approximately \$575 increase from 2011 to 2018). There are no statistically significant differences in household income levels net of housing costs between greater Christchurch and New Zealand for the period 2008 to 2014, however there appears to be a pattern of relatively greater increases for greater Christchurch. For 2015 and 2016, household income net of housing costs, for renters, was statistically significantly higher in greater Christchurch compared with New Zealand overall.

Data Sources

Source: Statistics New Zealand.

Survey/data set: New Zealand Household Economic Survey (HES, Income). Custom data request for greater Christchurch region.

Source data frequency: Annually.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/our-wellbeing/index-data>

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