

Paris, 4 August 2022

Reference period: 1st Quarter 2022

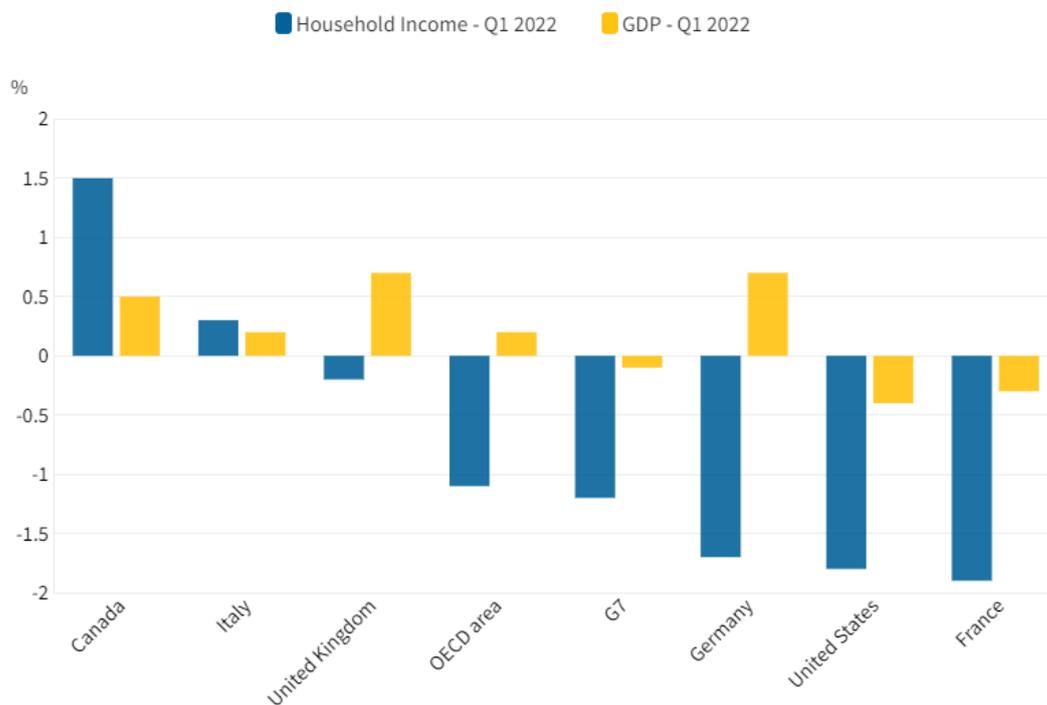
Strong inflation drives fall in real household income

Real household income per capita fell by 1.1% in the OECD area in the first quarter of 2022, contrasting with growth of 0.2% in real GDP per capita (Figure 1). This is the fourth quarter in a row that GDP per capita has outpaced household income per capita, reducing the gap observed at the onset of the pandemic (Figure 2). Real household income is now 2.9% higher than it was in the fourth quarter of 2019, while real GDP is 1.6% higher.

The decline in real household income per capita in Q1 2022 was partly due to increases in consumer prices, which undermined household income in real terms. Among the G7 economies,¹ the impact of inflation on households in Q1 2022 was particularly clear in France, where real household income per capita fell by 1.9% and Germany, where it fell by 1.7%. Elsewhere in Europe, high household inflation also contributed to large falls in real household income per capita in Austria (minus 5.5%) and Spain (minus 4.1%).

Among G7 countries, Canada recorded the highest growth in real household income per capita in Q1 2022 (up by 1.5%). This was mainly due to growth in ‘compensation of employees’ (employees’ wages and salaries and social contributions by employers), which rose by 3.8% in nominal terms in Q1 2022.²

Figure 1 – Real household income per capita and real GDP per capita
Q1-2022, percentage change on previous quarter, seasonally adjusted data



Source: OECD (2022) Household Dashboard (Database)

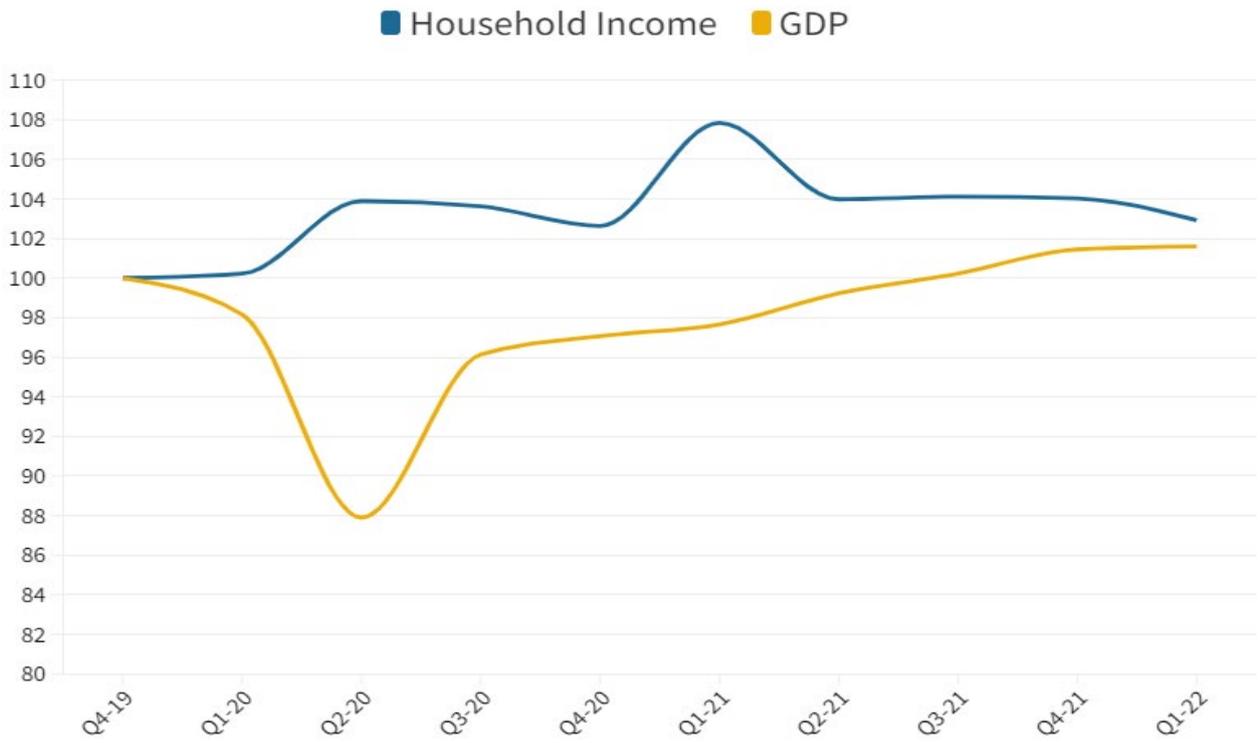


Visit the interactive [OECD Data Portal](#) to explore this data

¹ This analysis excludes Japan, for which quarterly household income estimates are not yet available: see methodological notes.

² Country comparisons of ‘compensation of employees’ are available from the OECD database [here](#).

Figure 2 – Real household income per capita and real GDP per capita, OECD area, Q4-2019 to Q1-2022
Q4-2019 = 100, seasonally adjusted data



Source: OECD (2022) Household dashboard (Database)



Table 1 – Quarterly real household income per capita*Percentage change on the previous quarter, seasonally adjusted data*

	2020				2021				2022	Cumulative growth since Q4 2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
OECD area *	0.2	3.7	-0.2	-1.0	5.1	-3.6	0.1	-0.1	-1.1	2.9
G7*	0.4	6.7	-2.4	-1.2	6.7	-5.0	-0.5	-0.5	-1.2	2.3
Canada	0.9	11.7	-5.7	-1.3	1.9	0.3	-1.0	-2.6	1.5	5.1
France	-1.4	-2.2	3.6	1.3	-0.9	0.4	0.7	0.9	-1.9	0.4
Germany	1.2	-3.6	3.9	-0.4	-2.3	0.9	0.8	-0.4	-1.7	-1.8
Italy	-1.3	-4.5	7.0	-1.9	1.4	-0.5	1.5	0.4	0.3	2.0
Japan	0.2	9.3	-7.3	0.3	0.8
United Kingdom	-1.7	-2.6	4.7	0.1	0.1	-1.0	-0.2	-0.2	-0.2	-1.3
United States	0.8	10.5	-4.3	-2.0	11.3	-7.9	-1.0	-1.1	-1.8	2.9

*See the [Methodological note](#) for further details on zone total estimates.

...: not available.

Source: OECD Household dashboard [Database](#)**Table 2 – Quarterly real GDP per capita***Percentage change on the previous quarter, seasonally adjusted data*

	2020				2021				2022	Cumulative growth since Q4 2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
OECD area	-1.8	-10.5	9.4	1.0	0.6	1.6	1.0	1.2	0.2	1.6
G7	-1.9	-10.3	9.4	0.9	0.6	1.7	0.8	1.2	-0.1	1.1
Canada	-2.4	-11.3	8.9	2.2	1.0	-1.0	1.1	1.1	0.5	-1.0
France	-5.7	-13.6	18.3	-1.0	0.0	1.0	3.3	0.5	-0.3	-0.3
Germany	-1.5	-9.4	9.0	0.6	-1.5	2.0	0.7	-0.1	0.7	-0.4
Italy	-5.8	-12.4	16.2	-1.5	0.4	2.8	2.8	0.7	0.2	1.2
Japan	0.5	-7.8	5.4	1.8	-0.2	0.4	-0.7	1.0	0.1	0.1
United Kingdom	-2.6	-19.5	17.4	1.3	-1.3	5.4	0.9	1.3	0.7	-0.2
United States	-1.4	-9.0	7.5	1.1	1.5	1.6	0.5	1.6	-0.4	2.3

Source: OECD Quarterly National Accounts (QNA) [Database](#)

Data shown in this release was last updated on the 29th of July 2022.

Note: As a consequence of measures put in place by governments to reduce the spread of the Coronavirus (COVID-19), many statistical agencies are still facing unprecedented collection, compilation and methodological challenges to develop indicators across a number of domains. To address these challenges, the statistical community developed guidance, both conceptual and practical, to help ensure the continued delivery of timely and reliable statistics. However, in some cases there may be an impact on quality and the statistics in this press release may be subject to revisions that are larger and more frequent than normal.

Methodological information:

OECD growth and economic well-being: [Methodological Notes for economic growth and well-being News release](#)

Access Data:

Interested in how households are doing? Visit our interactive [Household's economic well-being dashboard](#).

OECD database: [Household dashboard underlying data](#)

OECD database: [Non-financial quarterly sector accounts underlying data](#)

Contacts:

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Next release: [November 7 2022](#)