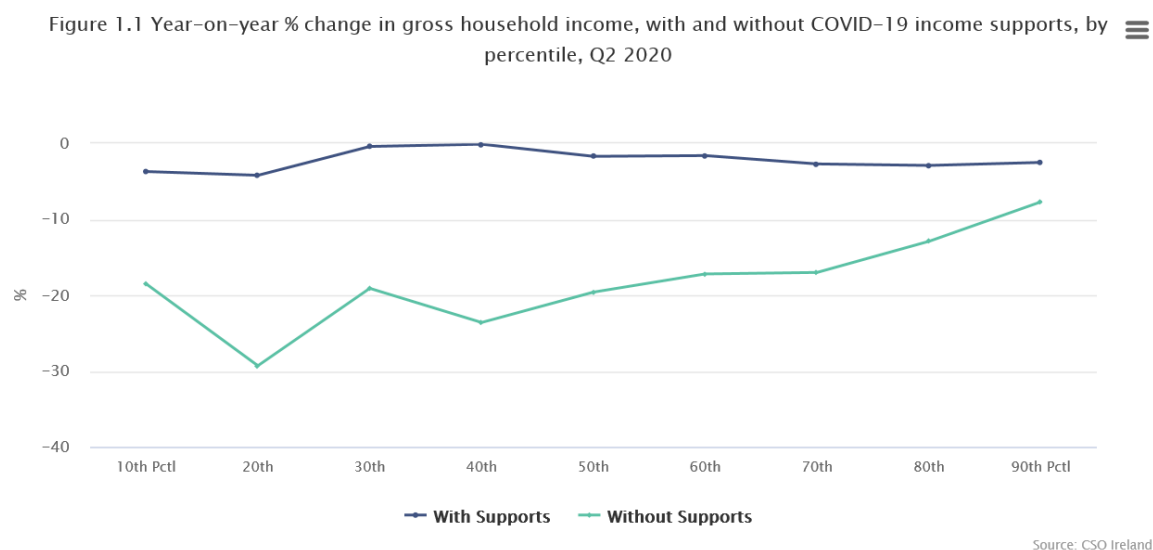




Note for Editors

Quarter 2 / 2020: Year-on-year changes in gross household income by decile



The blue line in the figure above plots the actual annual change in gross household income in the second quarter of 2020 for ten percentiles of the income distribution. The green line shows the change there would have been in income without Covid-19 income supports.

The gap between the green and blue lines (those without and with supports respectively) illustrates both the scale of the mitigating effects of the Covid-19 income supports and how those most negatively impacted by the crisis benefited the most from the supports, relative to their pre-Covid-19 income.

The “without supports” line in Figure 1 shows that the Covid-19 labour market shock was heavily concentrated amongst lower income households. Household incomes in the bottom half of the distribution actually fell by between 0.1% and 4.2% but without supports would have fallen by between 18% and 30%, in the year to Q2 /2020.

Therefore, households most negatively impacted by the crisis benefited the most from the Covid-19 income supports, relative to their pre-Covid-19 income.