

EXPLANATORY NOTES ON MAIN STATISTICAL INDICATORS

Households of the Survey In accordance with the provisions of 《The Statistical Law of the People's Republic of China 》, the households whose income and expenditure and living conditions are to be surveyed are households of the survey. The households of the survey are the households within the People's Republic of China, including both urban and rural households, and households living both in the form of a family and in the form of collective housing. Regardless of the nature of registered residence and the place where residence is registered, the Chinese citizens take the household as the unit, and take part in the survey.

Disposable Income It refers to the sum total of the income which is obtained by the household in the survey period, and can be used for final consumer spending and savings, namely, the income which the household can freely dispose of. Disposable income includes both cash and physical income. According to the sources of income, disposable income includes four incomes, and they are respectively wage income, net operating income, property net income and transfer net income.

Disposable income = wage income + net operating income + property net income + transfer net income.

Wage Income It refers to the total remuneration and benefits which the employed person gets through a variety of ways, including the total remuneration and benefits which the person gets by being employed to units or individuals, and engaged in various freelance, part-time work and sporadic labor.

Net Operating Income It refers to the net income which the household or household members get by being engaged in production and business activities, and is the net income of the total operating income after the deduction of operating expenses, the depreciation of fixed assets for production and production tax.

Property Net Income It refers to the net income which a household or household member obtains in return when they have their own financial assets, housing and other non-financial assets and natural resources administrated by other institutional units, households or individuals and after the deduction of the related expenses. Property net income includes net interest income, dividend income, savings insurance net income, rent net income from the transfer of land contracted management right, rental housing net income, rental other assets net income and converted net rent for one's own houses. However, the premium income of the transfer of property rights is included in the "non income", which is not included in the property net income.

Transfer Income It refers to the various regular transfer payments which the state, units and social groups give to households and frequent transfer of income between households. It includes pensions or retirement pensions, social benefits or subsidies, subsidies benefiting farmers, policy-oriented living allowances, relief funds, regular donations and compensations and reimbursement of medical expenses, etc. which the government, the non-administrative institutions, social groups transfer to residents; the maintenance income between residents, the regular donations and compensations, and the income sent back or brought back by the non-resident members of the household from the rural areas (village committees) working in other places (including foreign countries). The transfer income does not include the physical gifts between households.

Transfer Expenditure It refers to the payment which the household of the survey recurrently or compulsorily transfers to the state, units, households or individuals. It includes the payment of taxes, social security expenses, maintenance expenses, recurrent expenses for donations and compensations and other recurrent transfer spendings.

Transfer Net Income The formula of calculation is: transfer net income = transfer income - transfer expenditure.

Consumer spending It refers to all the expenditures which the household of the survey spends to meet all consumption needs of family life in the survey period, including spending on consumer goods and service consumption. Depending on the use, consumption expenditure can be divided into the eight categories of food, alcoholic drinks and tobacco, clothing, housing, articles for daily use and services, transportation and communications, education, culture and entertainment, healthcare, and other supplies and services. According to different sources, consumption expenditure can be divided into cash consumer spending and physical consumption expenditure (including production of one's own use, from the unit, from the government and other social organizations).