MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

HOUSEHOLD EXPENDITURE SURVEY REPORT 2019

MEAN MONTHLY HOUSEHOLD CONSUMPTION EXPENDITURE

In 2019, the mean monthly household consumption expenditure rose 3.9 per cent per annum in tandem with the moderate growth of mean monthly household income at 4.2 per cent for the period 2016 to 2019. In terms of value, the mean monthly household expenditure increased from RM4,033 in 2016 to RM4,534 in 2019. Meanwhile, the median monthly household expenditure registered RM3,654 in 2019 compared to RM3,314 in 2016.

Household expenditure in urban areas increased by 3.7 per cent per annum from RM4,402 to RM4,916. Meanwhile, in rural areas, it increased by 3.6 per cent annually from RM2,725 to RM3,038 for the period between 2016 to 2019. This indirectly reflects that the mean household consumption expenditure in urban area was 1.6 times higher than the mean household expenditure in rural area. The increase in expenditure in the urban area is also in line with the increase in mean income of urban households which was 1.7 times higher (RM8,635) than rural households (RM5,004).
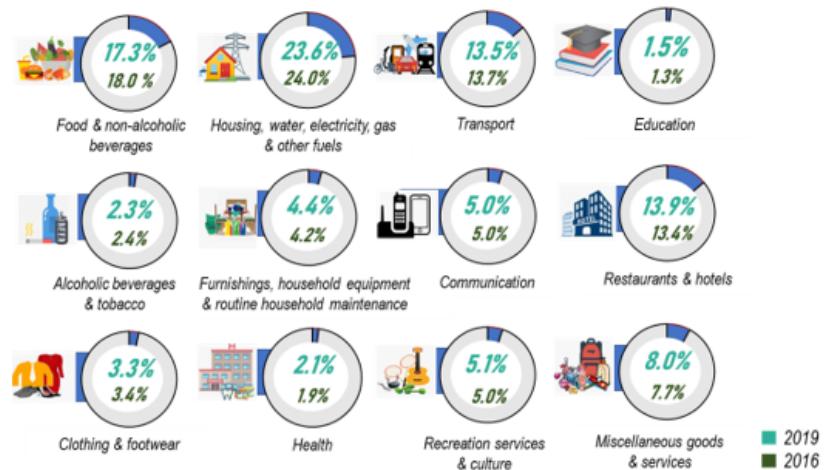
Cost of living relatively varies between states due to differences in commodity prices, household income levels and the ability of households to cope with rising prices. In 2019, at state level, the highest mean monthly household consumption expenditure was recorded in W.P. Putrajaya (RM7,980). Five other states also recorded household consumption expenditure exceeding the national mean (RM4,534) which were W.P. Kuala Lumpur (RM6,913), Selangor (RM5,830), Melaka (RM4,955), Johor (RM4,793) and Penang (RM4,630).

HOUSEHOLD CONSUMPTION EXPENDITURE PATTERN

The composition of expenditure groups shows differences in expenditure preferences by level of urbanisation. Households in the urban areas recorded the highest percentage of expenditure in the Housing, water, electricity, gas & other fuel at 24.0 per cent. Meanwhile, the highest expenditure of households in rural areas was in the Food & non-alcoholic beverages expenditure group (24.4%).

Basic necessities usually dominate household expenditure. Housing, water, electricity, gas & other fuels (23.6%), Food & non-alcoholic beverages (17.3%); Restaurants & hotels (13.9%); and Transport (13.5%) remained the major components of expenditure and contribute 68.3 per cent to the total household consumption expenditure.

Exhibit 1: Composition of Consumption Expenditure by 12 Main Groups, Malaysia, 2019

Group	2019	2016
Food & non-alcoholic beverages	17.3%	18.0 %
Housing, water, electricity, gas & other fuels	23.6%	24.0%
Transport	13.5%	13.7%
Education	1.5%	1.3%
Alcoholic beverages & tobacco	2.3%	2.4%
Furnishings, household equipment & routine household maintenance	4.4%	4.2%
Communication	5.0%	5.0%
Restaurants & hotels	13.9%	13.4%
Clothing & footwear	3.3%	3.4%
Health	2.1%	1.9%
Recreation services & culture	5.1%	5.0%
Miscellaneous goods & services	8.0%	7.7%

Four other main groups are Clothing & footwear, Communication, Health and Education. In line with national development, the composition of expenditure for both Health and Education rose by 0.2 percentage points in 2019. The expenditure patterns for the other four groups which comprise the bulk of selected goods have also increased as household income increases. The group Miscellaneous goods & services and Recreation services & culture increased by 0.3 and 0.1 percentage points respectively. Furnishings, household equipment & routine household maintenance group also increased by 0.2 percentage points.

Released by:

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