Statistics Course on Methodologies and Best International Practices for Conducting Household Expenditure Survey

~ Overview HIES ~

8-10 APRIL 2019 | BANDAR SERI BEGAWAN, BRUNEI DARUSSALAM
• IMPORTANCE OF SURVEY
• FLOW OF SURVEY
• CONCEPT
HISTORY

- Main statistic were published:
  - Income (median & mean)
  - Mean consumption expenditure by 12 main group, demographic characteristic and income group
  - Poverty incidence and gini coefficient

COMPREHENSIVE INFORMATION

- A System of National Accounts 2008
- Classification of Individual Consumption According to Purpose (COICOP)

MANUAL

- Cover all district in Malaysia (include urban & rural strata) except for settlement of Orang Asli
- Cover households living in private living quarters only
- Estimated of living quarters was 85,000 (HIS) & 45,000 (HES) - 2016

COVERAGE

- Statistics Act 1965 (Revised 1989)
- 5 year National Development Plan and Mid Term Review

BENCHMARKS

- HIS was first implemented in 1973 while HES in 1957/58. Basic Amenities Survey is carried out with the HIS in 1987
- HIS was carried out twice in 5 years and HES for every 5 years
- 3 survey were combined in 2014/15 and known as HIES/BA
- Now, DOSM is conducting HIES/BA 2019
HIES/BA is one of the instruments to support implementation, assessing and measuring government initiative/ programme performance

- addressing socioeconomic disparities
- enhancing inclusive development and people wellbeing

Result/ output HIES/BA such as mean/ median income; gini coefficient; incidence of poverty and consumption of household were identified to support the selected outcomes:
  - improving overall income inequality
  - uplifting the B40 households towards a middle-class society
  - accelerating regional growth for better geographic balance

**HIS & BA**

- Income inequality indicator: *Gini Coefficient*
- Household income structure and income distribution

Low income and poverty statistics:
- determine target group
- poverty incidence
- relative poverty

**HES**

- Current structure and expenditure pattern - basis measurement for Consumer Price Index
- Consumer behaviour
  - Expenditure trend
- Accessibilty of basic amenities by households
Implementation of HIS/BA and an input to national development plans …

*Outline Perspective Plan (OPP)
HES is conducted using the Household Consumption Good and Services (HCGS).

As a key input in updating the ICP weights for the base of 2010.

The latest survey will be conducted from Jan 2019 until Dec 2019. The report is expected to be out in the mid of 2020.

HES was first implemented using the COICOP classification and the data this year was used in updating Poverty Line Income (PLI) for PLI 2004 Methodology.

HES was first conducted with HIS where 60% of the sample selection would cover questions about income and expenditure.

The first time the HES is carried out twice within five years. Statistics are used as input for CPI weight after a year of GST implementation.
### Impact and targeted outcome...

<table>
<thead>
<tr>
<th>Impact</th>
<th>Targeted Outcome</th>
</tr>
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<tbody>
<tr>
<td><strong>1.2.1 Proportion of population living below the national poverty line, by sex and age</strong></td>
<td>National poverty line is reduced by 50% by 2020</td>
</tr>
<tr>
<td><strong>6.1.1 Proportion of population using safely managed drinking water services</strong></td>
<td>75% of the population to have access to safely managed drinking water services by 2020</td>
</tr>
<tr>
<td><strong>7.1.1 Proportion of population with access to electricity</strong></td>
<td>100% of households to have access to electricity by 2020</td>
</tr>
<tr>
<td><strong>10.1.1 Growth rates of household expenditure or income per capita among the bottom 40% of the population and the total population</strong></td>
<td>Growth rate of household expenditure or income per capita among the bottom 40% is below the national poverty line by 2020</td>
</tr>
<tr>
<td><strong>10.2.1 Proportion of people living below 50% of median income, by sex, age and persons with disabilities</strong></td>
<td>25% of the population to have access to below 50% of median income by 2020</td>
</tr>
</tbody>
</table>
**IMPLEMENTATION PERIOD**

**Project Application**
- Project Approval
- Budget Application

**Survey Preparation**
- Establishment of committee
- Updating frame
- Study of Sub-strata Income
- Strengthening questionnaire
- Improvement system of data capture
- Publicity/ engagement with community

**Survey Implementation/ Operation**
- Survey Publicity
- Field work
- Data processing
- Data prelim
- Data to be finalised

**Publication/Distribution**
- Data final
- Report launching
  - by state
  - By district
- Data distribution
- Interactive data
**MANPOWER**

**Estimated selected BP:**
- 11,088

**PSH:** 1,215 workers

**Nota:**
1) PSH E19 (Operasi) HIS: 1 PSH - 4 BP every month
2) PSH E19 (Operasi) HIES: 1 PSH - 1 BP every month
3) PSH E29 Penyelia Operasi: 1 penyelia bagi setiap 6 atau 7 PSH Operasi E19
4) PSH E19 Tangkapan data: 40-45 Borang setiap bulan

**BP: Blok Penghitungan PSH: Pekerja Sambilan Harian**

<table>
<thead>
<tr>
<th>No.</th>
<th>State</th>
<th>BP</th>
<th>PSH</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Johor</td>
<td>968</td>
<td>120</td>
</tr>
<tr>
<td>2</td>
<td>Kedah</td>
<td>777</td>
<td>72</td>
</tr>
<tr>
<td>3</td>
<td>Kelantan</td>
<td>433</td>
<td>68</td>
</tr>
<tr>
<td>4</td>
<td>Melaka</td>
<td>332</td>
<td>35</td>
</tr>
<tr>
<td>5</td>
<td>Negeri Sembilan</td>
<td>245</td>
<td>41</td>
</tr>
<tr>
<td>6</td>
<td>Pahang</td>
<td>601</td>
<td>59</td>
</tr>
<tr>
<td>7</td>
<td>Pulau Pinang</td>
<td>634</td>
<td>64</td>
</tr>
<tr>
<td>8</td>
<td>Perak</td>
<td>894</td>
<td>110</td>
</tr>
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<th>No.</th>
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</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Perlis</td>
<td>205</td>
<td>23</td>
</tr>
<tr>
<td>10</td>
<td>Selangor</td>
<td>1,333</td>
<td>142</td>
</tr>
<tr>
<td>11</td>
<td>Terengganu</td>
<td>551</td>
<td>61</td>
</tr>
<tr>
<td>12</td>
<td>Sabah</td>
<td>1,456</td>
<td>137</td>
</tr>
<tr>
<td>13</td>
<td>Sarawak</td>
<td>1,785</td>
<td>232</td>
</tr>
<tr>
<td>14</td>
<td>W.P Kuala Lumpur</td>
<td>702</td>
<td>80</td>
</tr>
<tr>
<td>15</td>
<td>W.P. Labuan</td>
<td>91</td>
<td>16</td>
</tr>
<tr>
<td>16</td>
<td>W.P. Putrajaya</td>
<td>81</td>
<td>16</td>
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</tbody>
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www.dosm.gov.my  @StatsMalaysia
1 Standard and systematic approach

- Based on concepts and guidelines from:
  - Canberra Group Handbook on Household Income Statistics (UN, 2011)
  - SNA
  - COICOP
- Probability sampling approach – accuracy at district level
- Post-stratification method in small area estimation, demographic characteristic

2 Penambahbaikan & Pembaharuan

- Expenditure data - at district level
- Strengthen questionnaire
- Improvement of the data capturing system
- Quality control SOP

3 Technology utilisation

- Improve data communication
  - Data visualisation

4 Output

- 2 main publications: HIS and HES reports
- 14 publications by state and district containing statistics on income and expenditure
Publicity activities for HIES/BA 2019

Media elektronik
- Mei-Jun
  a. Media Prima (Crawler dan Jingle)
  b. Astro (Iklan dan Infografik)
  c. RTM
  d. Bernama
  e. Digital board

Media sosial - panel online - teaser
- Mei-Jun
  a. Panel online-bernama.com
  b. Teaser di Facebook, Twitter, Instagram, Whatsapp dan Telegram - FOC

Media Cetak
- Mac-Mei
  a. Berita harian
  b. Harian Metro
  c. Sinar Harian
  d. News Straits Times
  e. The Star
  f. Sin Chew Daily
  g. China Press
  h. Nanyang Siang Pau
  i. Nanban Malaysia

Kick off
- Januari
  DOSM Negeri

Temuramah/ Bual Bicara (BM, BI)
- Mei-Jun
  a. Astro
  b. Media Prima
  c. RTM
  d. Bernama

DOSM Negeri
A person or group of people (whether related or unrelated) who usually live together in one residence and make provision (expenses) jointly for food and other necessities of life. In 2016, the average size of households in Malaysia was 4.1

Household members who receive income in the period of investigation, at least one recipient of income. In 2016, the average income earners per household in Malaysia was 1.8 persons.

Overall income usually earned (accrued) by members of the household, whether in cash or in kind received repeatedly in the survey reference period. Income statistics presented in this report is only adopted the concept of Gross Income. In 2016, the median and mean monthly household income are RM5,228 and RM6,958 respectively.

Household consumption expenditure is the value of consumer goods and services acquired, used or paid for by a household through direct monetary purchase, own-account production, barter or as income in kind for the satisfaction of the needs and wants of its members. In 2016, the mean monthly household consumption expenditure in Malaysia was RM4,033.
**Paid Employment**

Examples:
- Salary paid by employers
- Bonus & allowances
- Free food or concession
- Other receipts from employers

**Current Transfer Received**

Examples:
- Remittance from other households
- Pension
- Other periodically payments

**Self-Employed**

Examples:
- Agricultural activities (include for own consumption)
- Non-agriculture activities (include for own consumption)

**Property & Investment**

Examples:
- Rental from property
- Royalty
- Interest from savings & loan granted
- Dividends from shares owned

**Group expenditure is based on Classification of Individual Consumption According to Purpose (COICOP):**

* Food & non-alcoholic beverages;
* Alcoholic beverages & tobacco;
* Clothing & footwear;
* Housing, water, electricity, gas & other fuels;
* Furnishings, household equipment & routine household maintenance;
* Health;
* Transport;
* Communication;
* Recreation services & culture;
* Education;
* Restaurants & hotels; and
* Miscellaneous goods & services.
**INCOME CONCEPT**
Household income refers to total income received (accrued) by members of households, both in cash or in kinds which occur repeatedly within the reference period (within a year, or more frequently)

**ACCRUED:**
Income are earned at least once within the reference period (12 months ago)

**EXPENDITURE CONCEPT**
Household consumption expenditure is the expenditure for private consumption on goods and services during the reference period.

This expenditure can be divided into two types – Consumption expenditure and Non-consumption expenditure (eg. income tax, mandatory/ fines fees (traffic offenses), housing installments, purchases of assets for fix capital formation)

**HOUSEHOLD CONCEPT:**
A person or group of people (whether related or unrelated) who usually live together in one residence and make provision (expenses) jointly for food and other necessities of life
Value of purchasing during the acquisition of goods and services without taking into account whether they are fully used or not; or paid in full or not in the reference period. Acquisition was extended to include the estimated value of own production of non-durable goods and services and those given or received as in kind.

This approach is used in certain conditions for durable items that having long period (example: car, other user vehicles and carpentry tools) and the use of utility such as water and electricity.

Payments that involve advance payment to obtain goods and services where the goods and services have yet to be received in the reference month (example: advance payment in purchasing car).
FLOW OF SURVEY

PREPARATION AND PLANNING
- Determining the needs of stakeholders
- Designing the survey questionnaire
- Developing operational & processing system
- Sampling design

DATA COLLECTION
- Preparing operational documents
- Data collection in the fields
- Interviewing respondents
- Quality control

PROCESSING, INTERPRETATION & DISSEMINATION
- Editing data
- Preparing the main statistic
- Interpretation of data
- Preparation of the reports
- Disseminations
  - Official Portal
  - Publication
Two-stage stratified sampling design was adopted in HIS & HES 2016. The level of stratification is as follows:

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<th>HIS</th>
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<tr>
<td></td>
<td><strong>Primary strata</strong></td>
<td><strong>Covered administrative districts for all state in Malaysia</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Secondary strata</strong></td>
<td><strong>Covered urban and rural strata</strong></td>
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The selections of samples have been done at EBs level using probability proportionate to size method. Then, sample for LQs were selected from the selected EBs by using systematic method that generate random number and interval class to ensure every LQs have an equal probability to be selected as a sample. This procedure is performed systematically and scientific to produce unbiased sample and can represent the entire population of households in Malaysia.
### DATA COLLECTION

#### HIS
- Face to face interview
- Questionnaire:
  - Sources of Income
  - Category of Income
- Estimated time of the interview per household:
  - 40 minutes
  - At least one visits

#### HES
- Face to face interview
- Record of daily expenses for a month (Diary of expenses)
- Record of expenses for the year, for:
  - Long lasting item
  - Semi-durable item
  - Selected services
- At least 4 visits

- The estimated number of households involved is 85,000 nationwide
- Number of enumerators involved 1,100 for the whole country
OUTPUT HIES/BA 2016

1. Household Income and Basic Amenities Survey Report

SURVEI PENDAPATAN, PERBELANJAAN ISI RUMAH
DAN KEMUDAHAN ASAS 2019

- Isi Rumah di Tempat Kediaman Terpilih
- Di Seluruh Daerah di Malaysia
- Kawasan Bandar dan Luar Bandar

JANUARI - DESEMBER 2019

“Data Penentu Kesejahteraan Rakyat”
Welcoming 62nd
ISI WORLD STATISTICS
CONGRESS 2019

18 - 23 AUGUST 2019  KUALA LUMPUR

TERIMA KASIH

KE ARAH
BANCI PENDUDUK DAN
PERUMAHAN MALAYSIA 2020

Data Anda Masa Depan Kita

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