### Statistical Capacity Building (StatCaB) Programme

Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

### 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



- 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



**COVERAGE** 



**HISTORY** 

- Mean consumption expenditure by 12 main group, demographic characteristic and income group
- Poverty incidence and gini coefficient

- Canberra Group Handbook on Household Income Statistics, Second Edition (2011) published by United Nations
- A System of National Accounts 2008
- Framework for Statistics on the Distributions of Household Income, Consumption and Wealth 2013
- Classification of Individual Consumption According to Purpose (COICOP)



- Cover all district in Malaysia (inculde 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

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







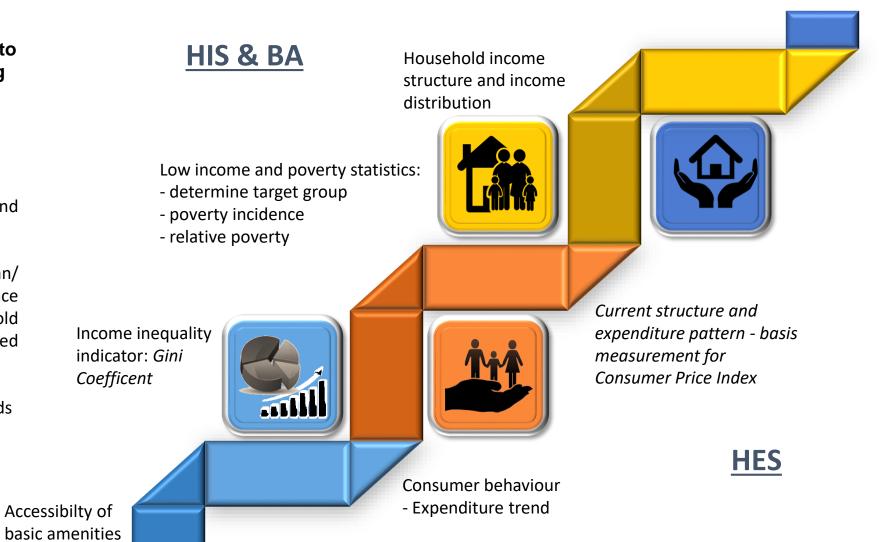
### IMPORTANCE OF LIES/BA





#### 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



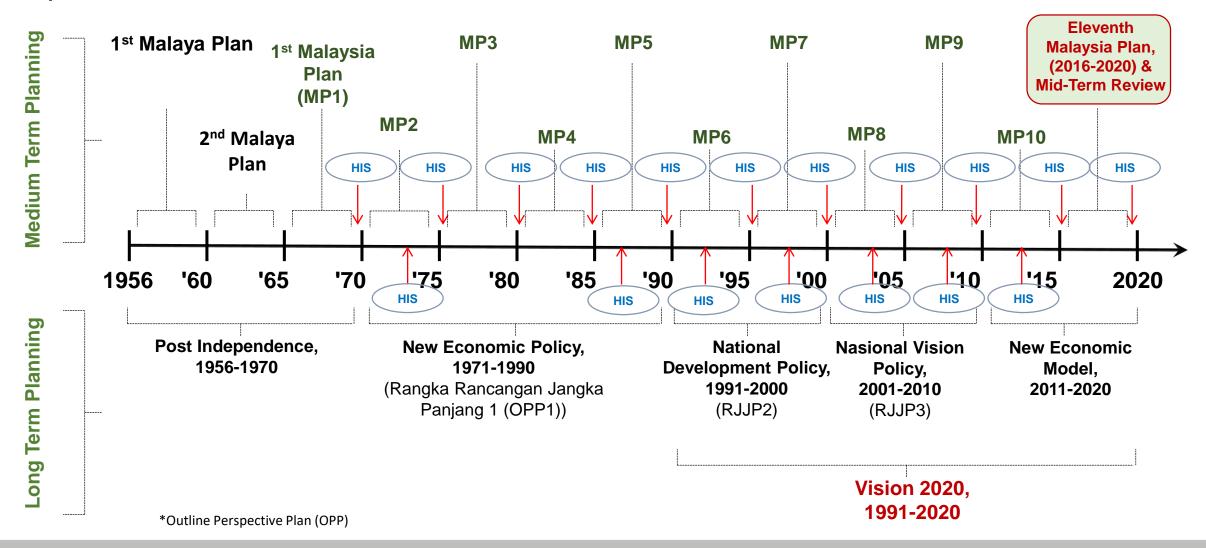
by households



### INPUT IIS/BA



#### Implementation of HIS/BA and an input to national development plans ...







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.

1998/1999

**HES** is conducted using the Household **Consumption Good** and Services (HCGS)

2004/2005

2009/2010

**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.

2014

2016

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

2019

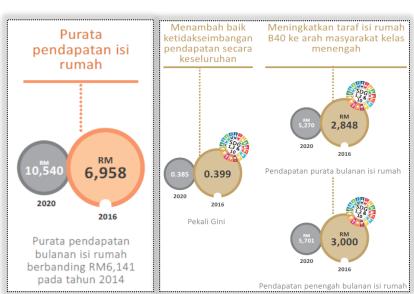


# OUTGOME HIES/BA 2019





#### Impact and targeted outcome...





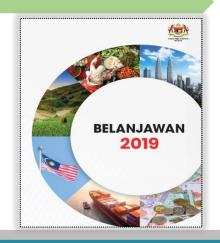
- 1.2.1 Proportion of population living below the national poverty line, by sex and age
  6.1.1 Proportion of population using
- 6.1.1 Proportion of population using safely managed drinking water services7.1.1 Proportion of population with access to electricity
- 10.1.1 Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population
- 10.2.1 Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities

- Pemberian Bantuan SaraHidup (BSH) kepada isi rumahB40
- ✓ Skim Caruman KWSP i-SURI
- Subsidi Minyak Bersasar (kenderaan persendirian)
- ✓ Subsidi elektrik isi rumah miskin/ miskin tegar ditingkatkan



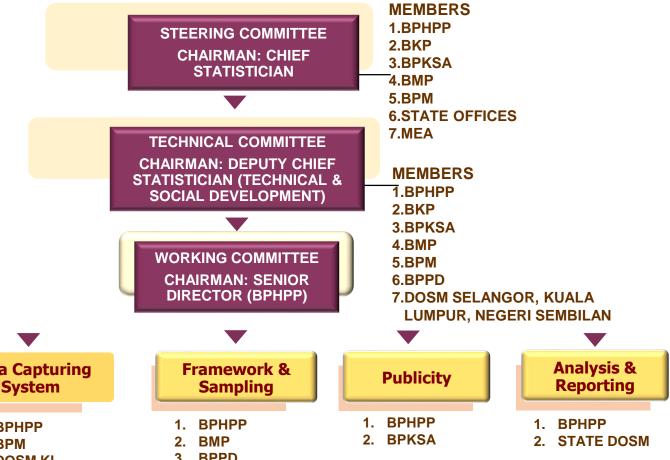












#### Questionnaire

- 1.BPHPP
- 2.BPAN
- 3.BPPD
- **4.BMP**
- **5.BPM**
- 6.DOSM KL
- 7.DOSM SEL
- 8.Ministry/Agency

#### **Data Capturing System**

- 1. BPHPP
- 2. BPM
- 3. DOSM KL
- 4. DOSM SEL

3. BPPD



#### **Project Application**

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









- 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

2019





### Publication/Distribution 2020

- Data final
- Report launching
  - by state
  - By district
- Data distribution
- Interactive data





### MARPOWER





Estimated selected BP: 11, 088

PSH: 1,215 workers

(*	1 Johor
٥	2 Kedah
뺭	3 Kelantan
(*	4 Melaka
	5 Negeri Sembil
	6 Pahang
1	7 Pulau Pinang
	8 Perak

	BP	PSH
	968	120 orang
	777	72 orang
	433	68 orang
	332	35 orang
lan	245	41 orang
	601	59 orang
	634	64 orang
	894	110 orang

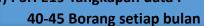
	9 Perlis	
(*	10 Selangor	
(*	11 Terengganu	
	12 Sabah	
	13 Sarawak	
(*	14 W.P Kuala Lumpur	
	15 W.P. Labuan	
<u> </u>	16 W.P. Putrajaya	

BP	P2H
205	23 orang
1,333	142 orang
551	61 orang
1, 456	137 orang
1, 785	232 orang
702	80 orang
91	16 orang
81	16 orang

BP: Blok Penghitungan PSH: Pekerja Sambilan Harian

N	_	ta	
V	U	ιa	•

- l) 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:



### IMPLEMENTATION STRATEGY



# 1 Standard and systematic approach

- ✓ Based on concepts and guidelines from:
  - Canberra Group Handbook on Household Income Statistics (UN, 2011)
  - Framework for Statistics on the Distribution of Household income, Consumption and Wealth (OECD, 2013)
  - ❖ 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

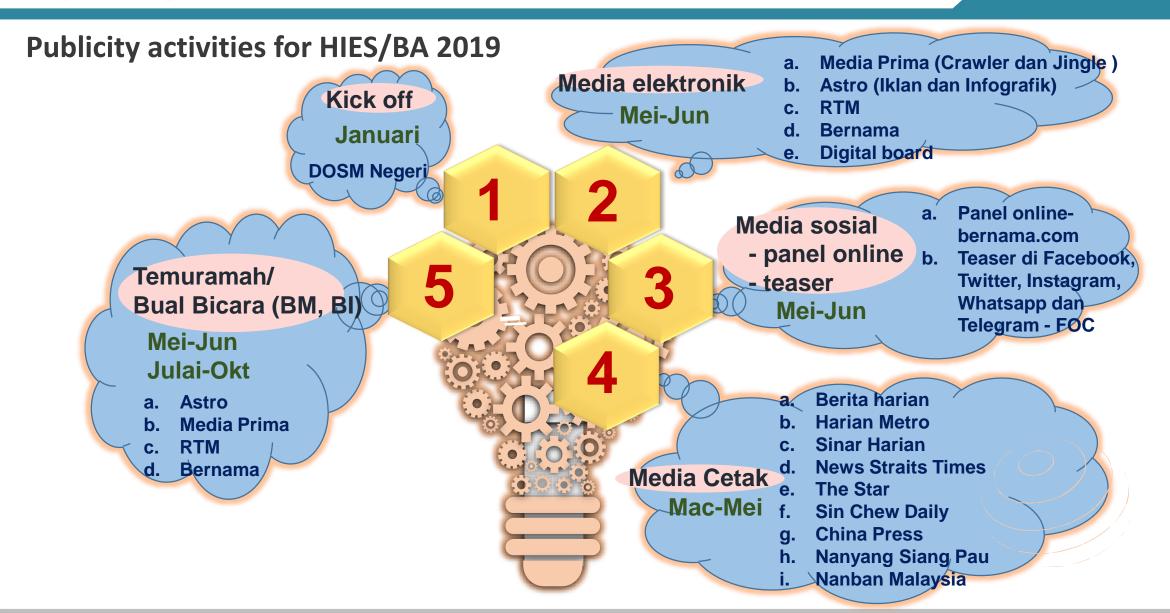
### 4 Output

- ✓ 2 main publications: HIS and HES reports
- √ 14 publications by state and district containing statistics on income and expenditure



# PUBLICITY







# CONCEPT & DEFINITION



**HOUSEHOLD** 



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

INCOME RECEPIENT



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.

HOUSEHOLD INCOME



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



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.

# CONCEPT & DEFINITION (CONT.)



### Current Transfer Received

#### Examples:

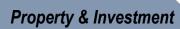
- Remittance from other households
- Pension
- Other periodically payments



#### Examples:

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





#### Examples:

- •Rental from property
- Royalty
- Interest from savings & loan granted



Dividends from sharesowned

### Examples:

•Agricultural activities (include for own consumption)

Self-Employed

 Non-agriculture activities (include for own consumption)

### MAIN GROUP OF EXPENDITURE

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.







#### 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

#### **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 Nonconsumption expenditure (eg.income tax, mandatory/ fines fees (traffic offenses), housing installments, purchases of assets for fix capital formation)



### EASUREMENT OF HOUSEHOLD CONSUMPTION EXPENDITURE





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

MEASUREMENT OF EXPENDITURE

02

#### **CONSUMPTION**

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



#### **PAYMENT**

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)



#### **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:

Шe	Primary strata	Covered administrative districts for all state in Malaysia
HIS	Secondary strata	Covered urban and rural strata
	Primary strata	Covered all state in Malaysia
HES	Secondary strata	Covered urban and rural strata

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.





#### 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

# HIS KETUA PERANGKAWAN MALAYSIA CHIEF STATISTICIAN MALAYSIA



#### **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









Report on Household Expenditure Survey



Report on Household Expenditure Survey by State and Administrative Districts

Household Income and Basic Amenities Survey Report

# Kerfasama semua pihak diperlukan...





### "Data Penentu Kesejahteraan Rakyat"





### Welcoming 62<sup>nd</sup> ISI WORLD STATISTICS **CONGRESS 2019**



**18 - 23 AUGUST 2019** ■ KUALA LUMPUR





Data Anda Masa Depan Kita



