PRESS RELEASE

REPORT OF HOUSEHOLD INCOME AND BASIC AMENITIES SURVEY 2016

KEY STATISTICS ON INCOME AND BASIC AMENITIES 2016

- Total number of households: 6.9 million, increased 4.1% from 6.7 million (2014)
- Average household size: 4.1 people (2014: 4.3)
- Average income recipients: 1.8 people (2014: 1.8)

**Median Income**
- RM5,228 (2016), 6.6% per year
- RM4,585 (2014)

**Mean Income**
- RM6,958 (2016), 6.2% per year
- RM6,141 (2014)

5 out of 10 households received RM5,228 per month or less.

4 MAIN SOURCES OF INCOME

- Paid Employment: RM4,382 (63.0%), RM3,989 (65.0%)
- Self-Employed: RM1,088 (15.6%), RM982 (16.0%)
- Property & Investment: RM897 (12.9%), RM704 (11.4%)
- Current Transfer received: RM591 (8.5%), RM466 (7.8%)

POVERTY

- Incidence of poverty decreased from 0.6% in 2014 to 0.4% in 2016

GINI COEFFICIENT

- Gini Coefficient decreased from 0.401 in 2014 to 0.399 in 2016
The Department of Statistics, Malaysia has conducted Household Income and Basic Amenities Survey (HIS&BA) in 2016 and 2017 to collect data on the characteristics of Malaysian household particularly on income and basic amenities. Personal interviewing approach was used for a period of twelve months starting from May 2016 until April 2017. This survey used probability samples that represent all Malaysian household in Malaysia.

KEY FINDINGS

HOUSEHOLD INCOME

Median Income

Median monthly household income for Malaysian increased to RM5,228 in 2016 compared to RM4,585 in 2014 with a growth rate of 6.6 per cent per annum at nominal value. In terms of real value\(^1\), median monthly household income grew at 4.4 per cent. Median monthly household income in the urban area increased 6.4 per cent per annum from RM5,156 in 2014 to RM5,860 in 2016. Simultaneously, the median monthly household income in rural area also increased at 5.3 per cent per annum from RM3,123 (2014) to RM3,471 (2016).

Median Income by Household Group

The median income of the bottom 40% (B40), middle 40% (M40) and top 20% (T20) rose in 2016 as compared to 2014. The household group M40 recorded the highest growth of 6.9 per cent per annum followed by the household group B40 (6.6%) and T20 (6.2%).

Chart 1: Median monthly income by household group, Malaysia, 2014 and 2016

\(^{1}\) Real value is calculated after adjusting for inflation.
Median Income by State

W.P. Kuala Lumpur recorded the highest median monthly household income of RM9,073 followed by W.P. Putrajaya (RM8,275), Selangor (RM7,225), W.P. Labuan (RM5,928), Johor (RM5,652), Melaka (RM5,588) and Pulau Pinang (RM5,409). Other states recorded median income that were below the national level of RM5,228. Terengganu registered the highest annual growth rate of median monthly household income at 10.9 per cent during the period of 2014 to 2016. Six other states also surpassed the national median growth rate namely Perlis (9.2%), W.P. Kuala Lumpur (8.7%), Pahang (8.0%), Selangor (7.5%), Perak (7.5%) and Pulau Pinang (7.0%).

Mean Income

Mean monthly household income for Malaysians has increased from RM6,141 in 2014 to RM6,958 in 2016, an increase of 6.2 per cent in nominal value. In terms of real value, mean monthly household income grew at 4.2 per cent per annum. Mean monthly household income in urban area grew 5.8 per cent annually from RM6,833 to RM7,671 in the period of 2014 to 2016. Meanwhile monthly household income in rural area increased at the rate of 6.5 per cent yearly from RM3,831 (2014) to RM4,359.
Mean Income by State

W.P. Kuala Lumpur recorded the highest mean monthly household income (RM11,692) in 2016 followed by W.P. Putrajaya (RM11,555), Selangor (RM9,463) and, W.P. Labuan (RM8,174). Other states recorded mean monthly household income below the national level (RM6,958).

The mean monthly household income of all states has increased where five states exceeded the national growth rate of 6.2 per cent. Terengganu recorded the highest growth rate of 9.1 per cent, followed by Perak (8.6%), Pahang (7.2%), Selangor (6.8%) and Kelantan (6.3%).

Mean Income by Household Group

All household groups recorded an increase in the mean monthly household income during the period of 2014 to 2016. The M40 group recorded the highest annual growth rate of 6.9 per cent from RM5,662 in 2014 to RM6,502 in 2016.
Household Income by District Level

The districts of Sepang (RM8,174), Petaling (RM7,904), Gombak (RM7,903), Hulu Langat (RM7,851), Klang (RM6,724) and Johor Bahru (RM6,518) recorded the highest median household income of the 140 administrative districts in the survey in 2016. Similar trend was shown in the mean household income. The ranks of the six highest groups remained unchanged as compared to 2014. Seventeen districts recorded higher median household income than the national level of RM5,228 and 11 districts registered mean household income above the national level of RM6,958.

Table 1: Median and mean monthly household income for 20 administrative district 2016

<table>
<thead>
<tr>
<th>Administrative District</th>
<th>Median (RM)</th>
<th>Administrative District</th>
<th>Mean (RM)</th>
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</thead>
<tbody>
<tr>
<td>Sepang</td>
<td>8,174</td>
<td>Petaling</td>
<td>10,792</td>
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<td>S.P.Tengah</td>
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</table>
GINI COEFFICIENT BY STRATA

The Gini Coefficient declined to 0.399 from 0.401 (2014). This indicating the improvement in the Malaysian household income distribution. Income distribution for urban strata declined to 0.389 from 0.391 (2014), whilst household income distribution for rural strata rose to 0.364 from 0.355 (2014).

INCIDENCE OF POVERTY

The overall incidence of poverty has improved from 0.6 per cent in 2014 to 0.4 per cent in 2016. Similarly, poverty incidence in the urban and rural areas depicted the same trend whereby it decreased to 0.2 per cent and 1.0 per cent respectively. Incidence of poverty in all states have declined with the most significant improvement was Sabah from 4.0 per cent in 2014 to 2.9 per cent in 2016.

Note: The calculation of real value refers to constant price using the Consumer Price Index with the base year 2010 as the deflator.

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9 October 2017

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