

KUALA LUMPUR (Bernama) — Malaysians are now enjoying a much higher standard of living than before, said Economics, Trade and Regional Integration Director at Malaysia's Institute of Strategic and International Studies (ISIS), Firdaos Rosli.

He said Malaysians were slowly substituting to buy foreign vehicles rather than the national car, besides

“More recently, goods spent via a popular online trade platform registered sales over RM100 million on Nov 11, Single Day alone. Malaysia is the biggest online game market in Southeast Asia where about RM2.45 billion was spent in the past 10 months,” he said in a statement, here today. He also questioned if the weakening of the Ringgit was really an issue, how do Malaysians explain

powder combined! By the way, the retail prices of these products are usually much higher,” he added. Prior to this, he said the strengthening of the US Dollar against Ringgit since September 2014 did not deter Malaysians from spending money while travelling abroad.

“Referring to the latest Bank Negara data, for the first ten months of 2017,

MALAYSIANS NOW ENJOYING MUCH HIGHER LIVING STANDARD THAN BEFORE



spending less on buying groceries and instead preferring to eat out as highlighted in the 2016 Household Expenditure Survey. Firdaos added that according to the data published by the Malaysian Automotive Association, the sales of mid-range foreign car brands, such as Honda, Ford, Mazda and Subaru registered a higher annual growth rate since 2009 than local automotive champion, Perodua.

the fact that in the first nine months of 2017, Malaysia imported about twice the value of mobile phones (RM6.85 billion) than cars of 1.5 to three litre engine (RM3.47 billion).

“In fact, the value of mobile phone imports is higher than our top food imports such as rice, milk and cream, coffee, onions and garlic, coconuts, soybeans, corn, milk and cream

the value of transactions of Malaysian credit cards overseas have increased steadily from RM10.9 billion in 2015, RM12.3 billion in 2016 and RM13.2 billion in 2017. In fact, the value of cash advance by Malaysian credit cards abroad spiked by 68.9 per cent in 2017 compared to the same period in 2015,” he said. Firdaos said the number of transactions and domestic purchases recorded an upward trend

as well with the data suggesting that Malaysians continue to spend money abroad despite living in a strong greenback era since late 2014.

Touching on Malaysia's unemployment rate which has been kept under four per cent, which is defined as full employment by the Organisation for Economic Co-operation and Development (OECD), since 1995, he noted that unemployment rate has not breached the four per cent mark despite the slump in Malaysia's Gross Domestic Product (GDP) growth due to the Global Financial Crisis 2007/2008.

"In 2016, Malaysia's unemployment rate of 3.4 per cent was even lower than that of many advanced economies such as the United States (4.9 per cent), Germany (4.1 per cent), and South Korea (3.7 per cent)," he added. Even though the goods and services's price had generally risen over the last couple of years, Firdaos said since 2009 the mean monthly household income had increased across the board with the bottom 40 per cent household income group (B40) growing the fastest among other income groups.

"In addition to the increase in the share of compensation of employees to GDP from 29.3 per cent in 2008 to 35.3 per cent in 2016, official statistics have also revealed that Malaysia's average monthly household income has risen by 6.6 per cent per year between 2014 and 2016," he said.

Commenting on 1Malaysia People's Aid (BR1M) which aimed to ease the burden of the rising cost of living among the low-income earners, he said Malaysians should recognise two key facts on the initiative; a number of European countries were also warming up to the idea but in the form of universal basic income, as well as BR1M has somewhat helped to reduce income inequality

"According to official statistics, Malaysia's GiNi coefficient has reduced from 0.441 in 2009 to 0.401 in 2014. Such trend is consistent in all ethnic groups, but interestingly, the Chinese community recorded the lowest reduction than in others," he said.

Firdaos also said that the gradual reduction of personal income tax to

the middle-income earners meant that they had a much larger disposable income than before as announced in Budget 2018 by Prime Minister Datuk Seri Najib Tun Razak last October, which was expected to benefit some 261,000 people.

On the expansion and streamlining of public transportation system since 2009, he said this had benefited the Klang Valley dwellers which offered cheap fare and on the also wider option from getting from one place to another following the legalisation of e-hailing services.

However, he also pointed out that the government must keep an eye on the disadvantaged while continuing to address the rakyat's ability to earn, and workers must be properly compensated for the work being performed, which will in turn, boost the nation's productivity.

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