

Parliament: Growth In Household Debt Slowed Last Year
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KUALA LUMPUR, March 26 (Bernama) -- The growth in household debt slowed to 11.7 per cent last year after increasing 13.5 per cent in both 2012 and 2011 and 15.1 per cent in 2010, said Deputy Finance Minister Datuk Ahmad Maslan.

"The decline is due to various measures taken (by the government) since 2010.

"(But) public servants and members of the public who are eligible to borrow can (still) get access to financing despite the government's measures to curb mounting household debt," he said at the Dewan Rakyat here Wednesday in reply to a question from Dr Lee Boo Chye (PKR-Gopeng) who wanted to know the amount of household debt and as a percentage of the gross domestic product (GDP).

Ahmad said household debt last year totalled RM854.3 billion, or a projected 86.8 per cent of GDP.

Households borrow from banks, non-bank financial institutions, Treasury Housing Loan Division and development financial institutions, he said.

"House purchases accounted for the largest portion of household debt last year at RM377.7 billion or 44.2 per cent, followed by vehicle purchases (RM149.9 billion), personal loans (RM141.5 billion), non-residential property purchases (RM65.2 billion), purchases of shares or securities (RM54.9 billion), credit card purchases (RM35.5 billion) and other purposes (RM29.6 billion)," Ahmad said.

Measures taken by the government to alleviate the debt burden on households include improving the remuneration structure for civil servants, providing cash aid to the people, improving the public transport system and building affordable houses, he said, adding the measures were introduced gradually to ensure better coordination in the financial system and economy.

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