

Households' Spending by Age Group

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Introduction

In 2012/13, resident households in Singapore spent an average \$4,724¹ per month on consumer goods and services. This includes day-to-day expenses on items such as food, dining out, bus/MRT fares and clothing; regular expenditure like utilities, phone bills and school fees; as well as ad-hoc spending on big ticket items such as purchase of consumer durables, overseas holidays and hospitalisation bills etc.

This article examines households' expenditure by the age group of the head of household² and provide insights on the expenditure patterns of households at different life stages. Data were based on the Household Expenditure Survey (HES) 2012/13³.

Household Expenditure by Age Group

Household expenditure patterns differed across households by age group of the heads of households,

reflecting the changes in household size and composition over different life stages.

Heads Aged Below 30 Years

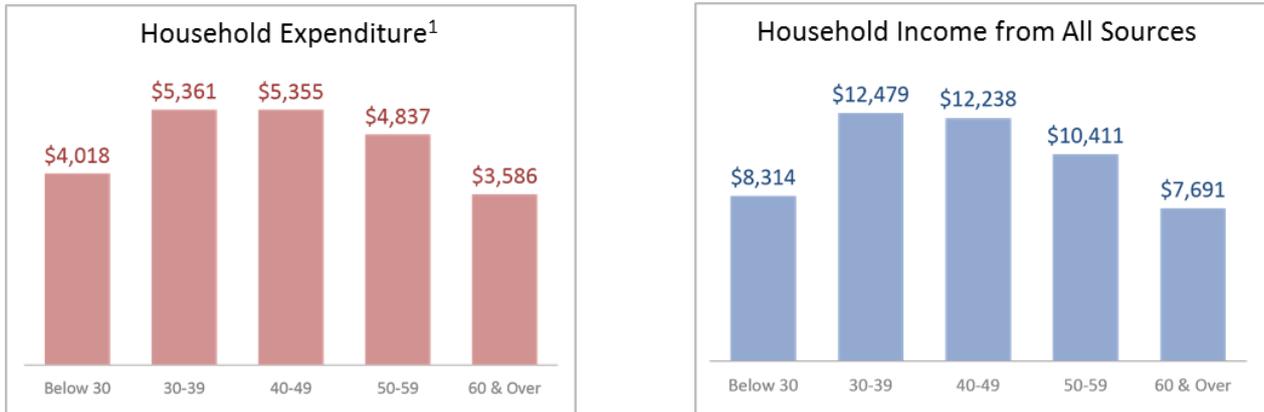
Households whose heads were aged below 30 years spent a monthly average of \$4,018 in 2012/13. Their household expenditure were lower than households headed by persons in their thirties, forties and fifties (Chart 1). This could partly be due to them having a smaller household size on average (Chart 2).

With relatively lower car ownership and lower proportion among them having school-going persons, households with heads aged below 30 years spent less on transport and educational services than those in their thirties, forties and fifties (Chart 3).

In dollar terms, households with heads aged below 30 years spent an average of \$573 and \$166 per month on transport and educational services respectively.

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- 1 Exclude imputed rental of owner-occupied accommodation, which have no impact on cash expenditure of households. In the HES, consumption expenditure on owner-occupied accommodation is estimated using the rental equivalence method, which measures the shelter costs in terms of expected rental the owner would have to pay if he were a tenant of the premises.
 - 2 The head of a household is the person generally acknowledged as such by other members of the household. The person acknowledged as the head by other members of the household is normally the oldest member, the main income earner, the owner-occupier of the house or the person who manages the affairs of the household.
 - 3 The HES is conducted once in every five years to collect information on households' consumption expenditure, income and socio-economic characteristics as well as ownership of consumer durables. The latest HES was conducted from October 2012 to September 2013. Key findings were released in the "[Report on the HES 2012/13](#)" in September 2014.

CHART 1 Average Monthly Household Expenditure¹ and Income from All Sources by Age Group of Head of Household



¹ Exclude imputed rental of owner-occupied accommodation, which have no impact on cash expenditure of households.

CHART 2 Selected Household Characteristics by Age Group of Head of Households, HES 2012/13

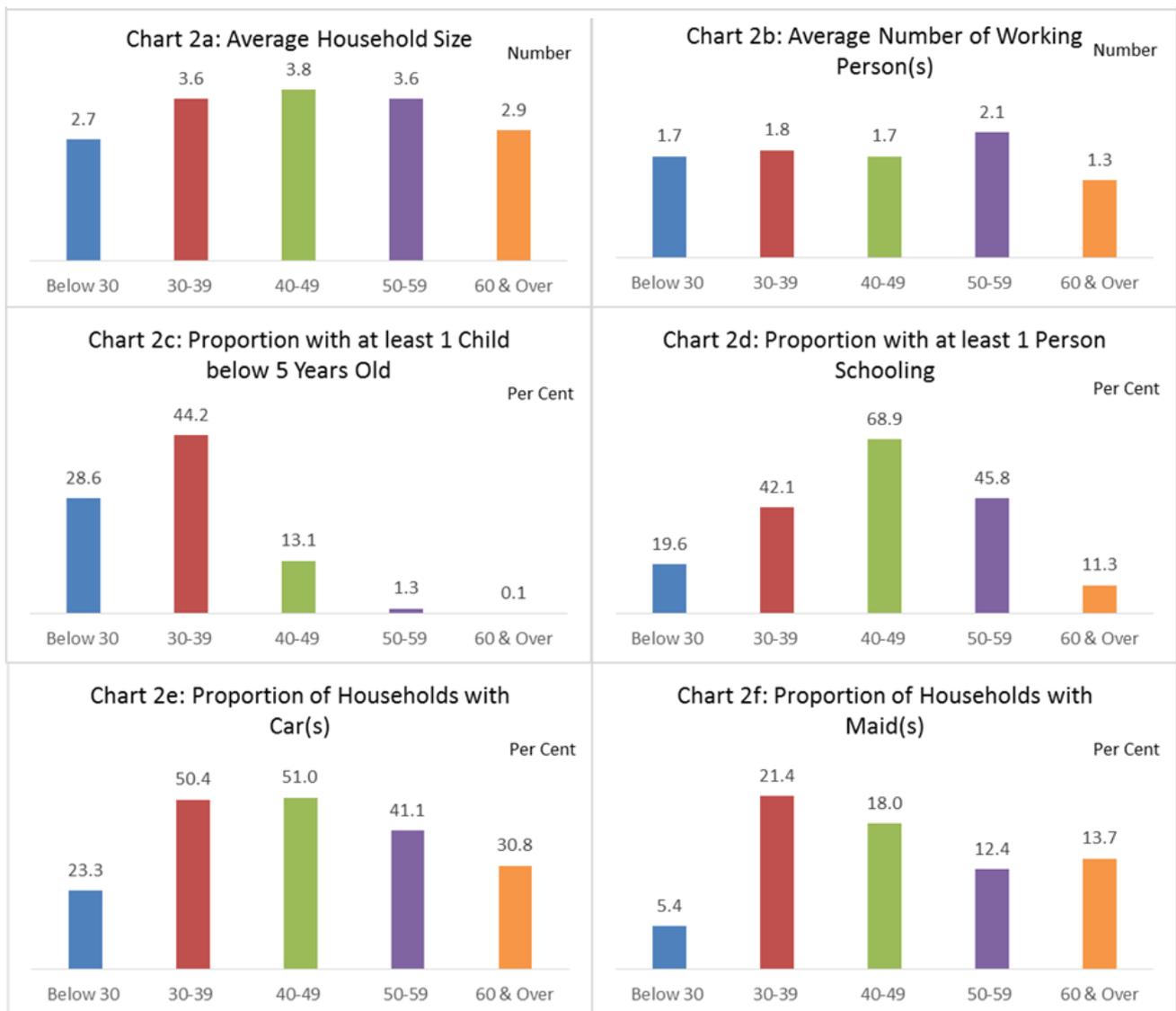
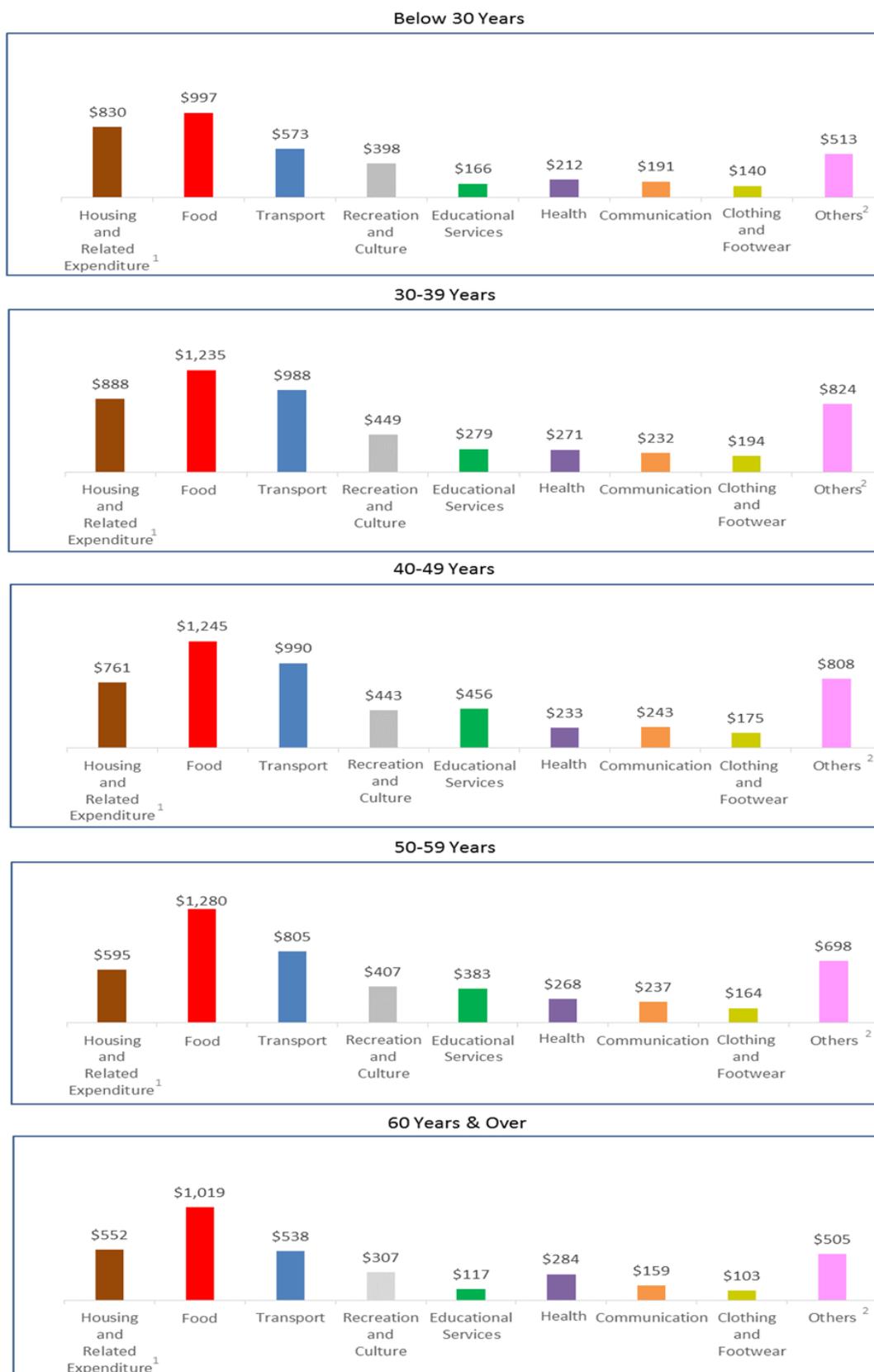


CHART 3 Household Expenditure by Goods and Services and Age Group of Head of Household, HES 2012/13



1 Exclude imputed rental of owner-occupied accommodation, which have no impact on cash expenditure of households.

2 Others include expenditure on miscellaneous goods and services, e.g. personal care services such as hairdressing, expenditure on alcoholic beverages and tobacco etc.

Heads Aged 30–39 Years

Average household expenditure was highest among households with heads in their thirties and forties. Among households with heads aged 30-39 years, the average monthly household expenditure was \$5,361 in 2012/13.

Compared to other age groups, the proportion with children aged below 5 years (44.2 per cent) and with maids (21.4 per cent) was higher among households with heads aged 30-39 years.

The proportion with cars (50.4 per cent) among households with heads aged 30-39 years was also higher than most age groups.

As a result, households with heads aged 30-39 years spent more than other age groups on housing and related expenditure (which include hiring of domestic maids), with an average monthly spending of \$888.

They also spent more on transport, compared to most age groups, with an average monthly spending of \$988.

Heads Aged 40–49 Years

Households with heads aged 40-49 years had average monthly household expenditure of \$5,355 in 2012/13. Some 68.9 per cent had school-going persons, higher than the percentages between 11.3 per cent and 45.8 per cent among households with heads in other age groups.

Consequently, compared to other age groups, they spent the most on education. In 2012/13, they spent an average of \$456 per month on education.

The proportion with cars among households with heads aged 40-49 years was also higher than other age groups, at 51.0 per cent in 2012/13.

In terms of average monthly expenditure, they spent \$990 on transport, higher than the other age groups.

Heads Aged 50–59 Years

Compared to households headed by persons in their thirties and forties, average monthly household expenditure was lower for households headed by persons aged 50-59 years, at \$4,837 in 2012/13. Some 45.8 per cent had school-going persons, which was second highest after households with heads in their forties.

Consequently, their expenditure on education was next highest after households with heads in their forties, spending an average of \$383 per month.

Heads Aged 60 Years and Over

Compared to younger households, average household expenditure among households headed by persons aged 60 years and over was lower at \$3,586 per month in 2012/13. There were fewer number of working persons in such households on average. The proportion with children aged below 5 years or school-going persons was also lower than the younger households.

On average, they spent less on most broad expenditure groups, including transport, clothing and footwear, recreation and culture, communication and education, than younger households.

However, households with heads aged 60 years and over spent more on health related expenses than younger households, at \$284 per month on average.

Concluding Remarks

Households in different life stages have different consumption patterns. These are reflected in the shift of expenditure patterns across households with heads in different age groups. Detailed data on average monthly household expenditure and expenditure patterns by the size of household, income group, house type and other characteristics from the HES 2012/13 are available in the [Household Expenditure Survey](#) publication.