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1999: robust increase in consumer spending

Domestic consumer spending rose by 3.6% last year. This is less than the increase in 1998 but still high compared with the years before that. Figures from Statistics Netherlands show further that the volume increase of consumption declined in the course of the year.

Not all categories of consumption contributed in equal measure to the increase. There was practically no increase in the amount spent on food, drink and tobacco. Purchases of durable goods did show a sizable increase, but this was smaller than in 1998. The growth of the largest catgeory of spending, services, laid a strong basis for the increase in consumer spending as a whole.

Spending on food hardly up

Dutch consumers spent only 0.2% more on food, drink and smoking in 1999 than in the previous year. There was a fall in spending on this category in the first half of the year, but spending recovered in the second half. The relatively high growth in the third quarter was caused by the fine summer weather.

Consumers spent more in hotels and restaurants. These devlopments would seem to indicate that consumers are eating out more, at the exepnse of buying food and drink to eat at home.

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Increase in spending on durable goods levelling off

The increase in spending on durable goods fell sharply after the first half of 1999. Following the growth rates of 10.5% in the first quarter and 8.2% in the second, the increases were less substantial in the third (4.1%) and fourth (4.3%) quarters. Durable goods include items like clothing, consumer electronics, furniture and cars. The volume of spending on all durable goods together was 6.7% up in 1999 on 1998.

Other goods:slowing growth

The level of spending on other goods, including energy and fuels was 3.2% higher than in 1998. The mild weather and subsequent lower energy consumption kept the growth rate of this category down.

Sevices: growth stable

The volume of spending on services was 3.5% higher in 1999 than in 1998. The growth was spread evenly over the four quarters of the year. The strongest volume increase in this category was for spending on transport and communications and on financial and business services.

National consumption grows faster than domestic consumption

At 3.8% the increase in spending by Dutch citizens (national consumption) is fractionally higher than the increase in consumer spending in the Netherlands (domestic consumption). This means that the expenditure of Dutch citizens while on holiday or trips abroad rose more quickly than similar expenditure by foreigners in our country.

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