

Household incomes in both urban, rural areas affected by Covid-19, says Mustapa

KUALA LUMPUR (Dec 16): The economic crisis brought on by the Covid-19 pandemic had significantly affected household incomes in both urban and rural areas, the Dewan Negara was told on Thursday (Dec 16).

Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed said based on the Household Income Estimates and Incidence of Poverty Report 2020, the mean monthly household gross income in the country dropped to RM7,089 last year from RM7,901 in 2019.

"It is undeniable that there is an income gap between urban and rural areas due to slower rural development.

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It goes without saying that we live in unprecedented times due to the challenges caused by the COVID-19 pandemic.

"Based on the household income survey conducted by the **Department of Statistics Malaysia** in 2019, the mean monthly household gross income in urban areas was RM8,635 per month, compared with RM5,004 per month for that of rural areas," he said during the question-and-answer session in the Dewan Negara here on Thursday.

Mustapa was responding to a question from Senator Datuk John Ambrose who wanted to know to what extent Covid-19 had affected the income gap between urban and rural households, as well as the government's efforts to reduce the gap.

Mustapa said besides addressing the income gap between urban and rural areas, the government paid attention to the development gap as a whole, including in terms of rural roads, access to water and electricity supply, and digital infrastructure.

Hence, he said the government will continue to improve the well-being of the people in rural areas to reduce the development gap by implementing various short- and long-term initiatives.

For the long term, he said efforts will continue to be made to accelerate rural development, especially in certain remote areas as laid out under the 12th Malaysia Plan, such as speeding up the provision of infrastructure and services, diversifying and boosting economic activities, fully utilising land use for the rural economy and revitalising the rural cottage industry.

"The short- and long -term strategies that the government will implement will not only increase the income and living standards of rural households, but also contribute to the development of rural areas as a whole," he said.

<https://www.theedgemarkets.com/article/household-incomes-both-urban-rural-areas-affected-covid19-says-mustapa>