

Roughly 600,000 families went from M40 to B40 due to pandemic, says Tok Pa

PETALING JAYA: Approximately 600,000 families slipped from the M40 group to the B40 group due to losses in monthly income as a result of the Covid-19 pandemic, says Datuk Seri Mustapa Mohamed.

He said a Statistics Department study showed that the average monthly household income had decreased by 10.3% last year.

"A total of 20% or about 600,000 household from the M40 group have moved to the B40 group," said the Minister in the Prime Minister's Department for Economic Affairs.

Mustapa said this when answering a question raised by Datuk Zakaria Mohd Edris (PN-Libaran) in the Dewan Rakyat on Monday (Oct 25).

He said the study, based on income levels, is carried out twice every five years by the department and the data is used to draft government policies.

The monthly household income levels are: B40 (RM4,850), M40 (RM4,850 to RM10,595) and T20 (above RM10,960).

He said the drop in household income was due to the pandemic which resulted in the nation's economy shrinking by 5.6% last year.

However, Mustapa noted that there have been positive signs of economic recovery since August.

"For example, the unemployment rate has reduced to 4.6% and sales in the manufacturing sector rose by 6.8%," he said.

Meanwhile, Mustapa urged state governments to set up their own special units to address hardcore poverty.

"At the Federal level, we have reassigned officers to set up units to address hardcore poverty," said Mustapa.

"It is hoped that similar units are set up at the state and district levels as a means of dealing with the issue through a bottom-up approach," he added.

The minister informed the House that Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz will be announcing several measures under Budget 2022 this coming Friday (Oct 29) to further lessen the burden of the rakyat.

<https://www.thestar.com.my/news/nation/2021/10/25/roughly-600000-families-went-from-m40-to-b40-due-to-pandemic-says-tok-pa>