

## **PM: More Than 550,000 M40 Households In M'sia Are Now B40, Poverty Figure Up To 8.4 Per Cent**

Not good news.

The COVID-19 pandemic has hit Malaysians hard.

Thousands have lost their source of income, businesses from small to large were forced to close and a majority of Malaysians are struggling to make ends meet.

And the latest figures further reveal the extent of it.

### **Worrying numbers**

Prime Minister Ismail Sabri revealed on Tuesday (21 September) that over half a million middle-income (M40) households in the country have slipped into the bottom 40 per cent (B40) category due to the pandemic, New Straits Times reported.

According to Ismail Sabri, more than 580,000 M40 households are now categorised as B40. The number represents approximately 20 per cent of the middle-income group, he added.

He further revealed that this group earned a monthly income of between RM4,850 and RM10,959 before the pandemic hit the country, but the absolute poverty figure in Malaysia rose to 8.4 per cent last year.

As comparison, the absolute poverty rate in 2019 was just 5.6 per cent.

Yeah, that's a huge increase.

Ismail Sabri said the rising unemployment rate played a role in the reduction of income for those in the M40 and B40 groups.

He further said in a written parliamentary reply that the numbers were based on the data provided by the Department of Statistics Malaysia (DOSM), which is still applied to the current Poverty Line Income (PLI) that is set at RM2,208 per month.

"The government has conducted a socio-economic impact study following the pandemic.

"Based on the report's estimate of household income and incidence of poverty, which was conducted by the Department of Statistics, as much as 20 per cent or about 580,000 households from M40 group have shifted to the income limit below the B40 group," he said, adding that the government would revise the PLI threshold as well as the Household Income and Basic Amenities Survey in 2022.

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