

Govt to continue with policies to increase income, purchasing power of B40 group — PM

KUALA LUMPUR (Sept 14): The government will continue with policies and strategies to increase income and purchasing power of the people, especially poor households in the bottom 40% income group (B40), Prime Minister Datuk Seri Ismail Sabri Yaakob said.

He said the government would also strive to improve their access to basic necessities, including education, health and housing.

“The government will also boost entrepreneurship and access to financial assistance as well as improving social protection,” he said in reply to Datuk Seri Anwar Ibrahim (Pakatan Harapan-Port Dickson) during question time at the Dewan Rakyat sitting today.

Ismail Sabri said the government previously provided short-term assistance under eight economic stimulus packages, including the Bantuan Prihatin Nasional (BPN), Bantuan Prihatin Rakyat (BPR) and Phase 1 of the Special Covid-19 Assistance (BKC) totalling RM24.9 billion, which had helped 10.9 million individuals and households.

Also provided were the loan moratorium for over seven million borrowers, RM3.14 billion in electricity bill discounts which benefited 8.8 million individuals and households, RM300,000 to each Member of Parliament (MP) to implement the Food Basket Programme, and the Wage Subsidy Programme to help 300,000 employers and maintain more than 2.7 million jobs.

Meanwhile, Ismail Sabri said the poverty percentage and gaps could also be reduced when the economic sectors are opened, which could provide employment or business opportunities to the people.

He said the short-term assistance provided previously was temporary and could only last for some time.

“For example, when we give one-off cash assistance to micro-entrepreneurs, it could only last for some time ... that’s why we have short-, medium- and long-term plans to provide reskilling and upskilling training for them to be able to take available opportunities to increase their income or look for new sources of income,” he said.

Anwar wanted to know whether the assistance provided by the government was sufficient in helping the people affected by the Covid-19 pandemic.

To a question from Datuk Seri Ahmad Maslan (Barisan Nasional-Pontian) on whether the government plans to grant an accrued interest-free moratorium to help tackle household debt problems, Ismail Sabri said the matter will be discussed with the finance minister as the government understands the situation faced by the people.

Earlier, he said the Household Income Estimates and Incidence of Poverty Report published by the Department of Statistics Malaysia (DOSM) last month revealed that the mean of monthly household gross income decreased by 10.3% to record RM7,089 in 2020 as compared to RM7,901 in 2019.

“According to the report, the incidence of poverty also increased to 8.4%, which involved 639,800 households, from 5.6%, which involved 405,400 households in 2019.

“The Covid-19 pandemic caused the Malaysian economy to shrink by 5.6% in 2020,” he said.

The prime minister added that approximately 600,000 households from the middle 40% income group (M40) earning between RM4,850 and RM10,959 had dropped into B40 due to Covid-19.

<https://www.theedgemarkets.com/article/govt-continue-policies-increase-income-purchasing-power-b40-group-%E2%80%94pm>