

# Less than RM2,000 means

## 'low income'

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**IF YOU** earn less than RM2,000 a month, you are considered a low-income earner.

Minister in the Prime Minister's Department Tan Sri Amirsham A. Aziz said this definition of low-income would be adjusted from time to time to take the inflation rate into account.

He said this in reply to an oral question from **Tan Sri Khalid Ibrahim (PKR-Bandar Tun Razak)**, who asked the prime minister whether the government was aware of the inflation rate and rising prices.

Khalid, who is also the Selangor menteri besar, said the poverty line, which currently stands at RM800 and below, was far too low and unreasonable to provide for a family.

Selangor recently readjusted its poverty line from RM800 to RM1,500 to better provide for its people.

"Can the Economic Planning Unit state the percentage of poverty in each state should the poverty line be raised to RM1,500?" Khalid asked.

Amirsham assured the House that



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the government was aware of the effects of inflation and rising prices of goods on household expenditure.

"However, our poverty line has yet to take into account the knock-on effect of the recent rise in fuel prices. Besides the welfare aid that will be given to the hardcore poor, the government will not neglect those in

the lower income group," he said.

Amirsham said that applying Khalid's calculations, about 24.3% of Malaysians are considered low-income earners.

He said the calculations were based on a specific methodology with sufficient income to give each household ample quantity of the basic necessities of food and non-food items to allow each member to function in society.

"The components of basic necessities include food, clothes and expenditure like housing, rent, electricity, transportation, communication, health, education and recreation.

"In short, the poverty line provides no space for luxuries like sending children to private schools or tuition classes, receiving treatment from private clinics or eating out."

In another supplementary question, Khalid asked whether Amirsham was aware that RM1,500 was insufficient for a family of five in the urban areas and why the government would not agree to the Malaysian Trades Union Congress' request for an increase in minimum wage.

Amirsham said the proposal was still under consideration.