

# KERATAN AKHBAR

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## Poverty eradication programmes yield good results

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**T**HE recent revision of the Poverty Line Income (PLI) that was done in 2019 will enable the government to formulate policies and strategies, as well as design more appropriate, dynamic and pragmatic approaches for each target group.

The PLI was last updated in 2005, and in 2016, it was RM980 a month per household.

The national, monthly PLI was RM2,208 per household in 2019.

Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed said this during his presentation of "Setahun Malaysia Prihatin" at a press conference here on Thursday.

"The PLI method has been updated for more effective policy formulation and strategy implementation.

Based on this new PLI, the poverty rate was 5.6 per cent (408,441 households) for 2019. The poverty rate in 2016 was 0.4 per cent (24,700 households), which was measured based on the 2005 PLI.

"This means that, if measured using the new PLI methodology, the country's poverty rate has decreased by two percentage points, from 7.6 per cent in 2016 to 5.6 per cent in 2019.



**6** This clearly shows the poverty eradication programmes and initiatives carried out by the government, supported by various parties, such as non-governmental and private bodies, have yielded good results.

**DATUK SERI MUSTAPA MOHAMED**  
 Minister in the Prime Minister's Department (Economy)

"This clearly shows the poverty eradication programmes and initiatives carried out by the government, supported by various parties, such as non-governmental and private bodies, have yielded good results," he said.

He said efforts to improve the poverty measures began from the presentation of the mid-term review of the 11th Malaysia Plan in October 2018.

Mustapa said the research was conducted by the Economic Planning Unit, the Prime Minister's Department, with the collaboration of the Statistics Department, the Health Ministry and several other ministries and related agencies from March 2019 to June 2020.

He explained that based on the survey's outcome, the PGK methodology had been improved on three aspects.

"The concept setting of PGK food that is refined from 'minimum' to 'optimum minimum' is to calculate the improvement of the quality of food basket items based on the 2020 Malaysian Food Pyramid and food group diet guide, in line with daily physical activities and healthy living."

For example, sweetened condensed milk previously in food baskets had been replaced with healthier powdered milk.

"For non-food PLIs, the needs of the lowest 20 per cent (B20) households identified increased from 106 to 146 items. This means that 40 items that



were not previously considered basic requirements for the B20 group, have now been included in the list.

"There were changes in household spending patterns, prices of current goods and services in 2019 compared with 2005."

Mustapa said besides using the PLI, the government had also used several other methods to measure the poverty rate.

One of them, he said, was the multidimensional poverty measurement method, which emphasised aspects of improving the quality of life, such as health, education, housing, living standards, access to information and household monthly income.

"Efforts to improve this method of poverty measurement are a manifestation of the determination, concern and transparency to ensure the wellbeing of the people.

"Ministries, departments and government agencies, including state governments, should take note of the

2019 PLI in planning their policies and programmes, as well as reviewing policies on poverty eradication and social assistance, including re-targeted groups under their supervision and responsibilities in the next five months."

Mustapa said the next revision would be done for the year 2021 to assess the impact of the Covid-19 pandemic on PLI. It would be released next year, he added.

### PRIME MINISTER'S DEPARTMENT (ECONOMY)

**PRIORITIES**

- Eradicate hardcore poverty, reducing socioeconomic inequality
- Empower Bumiputeras to reduce the gap between Bumiputeras and other races
- Hasten development in Sabah and Sarawak and less developed states
- Provide conducive ecosystem for micro, small and medium enterprises
- Speed up acceptance of the latest technologies and digitisation
- Encourage quality investments by focusing on high-tech activities
- Speed up transition to a greener economy and make Malaysia a low carbon footprint country

**APPROACH**

**GOAL:** A country that is prosperous, inclusive and sustainable based on the Shared Prosperity Vision 2030

**ECONOMY:** Restore economic development, as well as improve and increase the value chain

**TECHNOLOGY:** Accept and use the latest in digital technology

**SOCIAL:** Develop an inclusive community and territories that are balanced

**ENVIRONMENT:** Implement clean, green and resilient development agendas

**SERVICE DELIVERY:** Transform the public sector to be focused on the rakyat more efficient and productive

**POVERTY LINE INCOME (PLI) REVISION**

- Review of the PLI value from RM980 to RM2,208 based on the new 2020 methodology — last reviewed in 2005

**Enable the government to draw up policies and programmes that are more inclusive and eradicate poverty more effectively**

**The PLI method is updated for the drafting of new policies and the implementation of more effective strategies**

**Household poverty level measured based on three methods: absolute, relative and various dimensions (MPI)**

**MYDIGITAL DIGITAL ECONOMIC BLUEPRINT**

**VISION: A 10-year plan for Malaysia to be a regional leader in digital economy and to achieve inclusive, responsible and sustainable socio-economic development**

- Encourage industry players to become creators and adopt an innovative business model
- Produce highly capable and competitive citizens
- Cultivate an integrated ecosystem to enable communities and society to take part in digital economy

**BASIC FACTS ABOUT FELDA**

- 112,638 settlers — 51,752 settlers have passed away (46%)
- 317 settlements
- 490,000 hectares allocated to settlers
- 355,000 hectares leased to FGV Holdings Bhd
- Felda faced financial difficulties of high debts of RM7.6 billion
- White paper presented in the Dewan Rakyat on April 10, 2019
- Felda recovery plan was initiated on Oct 14, 2020, to address the financial difficulties, debts and to turn Felda around

**2. Settlers debt — Settlers debt statements will be finalised**

**3. Felda controls seventy 7 per cent of FGV shares — Felda to regain, recover 355,000 agricultural lands**

**MAIN FOCUS FOR 2021**

**NATIONAL 4IR POLICY:**

- Enable rakyat to enjoy a good quality of life
- Create a balance between economic growth and rakyat's wellbeing, along with environmental sustainability

**NATIONAL ENERGY POLICY:**

- Address issues across a few energy sub-sectors
- Ensure development of sub-sectors is in line with the global energy transition trend
- Improve governance structure of the country's energy and market liberalisation aspect
- In-depth study and research on new sources of energy (renewable energy)

**ATTRACT INVESTMENTS WORTH RM70 BILLION**

- Create 500,000 jobs

**FELDA RECOVERY PLAN**

- The Sukuk government guarantee of RM6 billion will be used to reduce Felda's debt and financial burden