KOLOKIUM STATISTIK 2019

JABATAN PERANGKAAN MALAYSIA

URBAN POVERTY: A CASE STUDY IN JOHOR

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INTRODUCTION

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ii. **URBAN POVERTY**
   - DEMOGRAPHIC VARIABLES
iii. **INEQUALITY BY ETHNICITY**
   - INCOME AND WEALTH
   - WITHIN AND BETWEEN RACE

SOURCE OF DATA

➢ Household Income And Basic Amenities Survey 2016
➢ Household Income And Basic Amenities Survey 2014

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Poverty

- Poverty rate in Malaysia is low and hardcore poverty is considered eliminated.

- The decrease in poverty rate is due to rapid economic growth, distribution policies and improvements in public services in the last three decades. (Affirmative action program).

- However, poverty continues to be a major development concern.

Pocket of Poverty

- Deep stubborn pockets of poverty continue to exist.

Urban Poverty

- Urban poverty increasingly becoming an important phenomenon in Malaysia

- It is dynamic condition of vulnerability and multi-dimensional.

Inequality by Ethnicity

- Inequality issue occurred because of history since the early days of independence in 1957.

Wealth

- The wealth holdings in this study is imputed from data on interest, dividend, and rental income

FINDINGS

Median & Mean Household Income

	Median Income (RM)		Mean Income (RM)	
	2016	2014	2016	2014
Malaysia	5,228	4,585	6,958	6,141
Urban	5,860	5,156	7,671	6,833
Rural	3,471	3,123	4,359	3,831
Johor	5,652	5,197	6,928	6,207
Urban	6,012	5,497	7,373	6,588
Rural	4,428	4,393	5,359	4,971

Mean Household Income for Urban Area

Johor	Mean Income (RM)	
	2016	2014
Malay	6,778	6,217
Bumi	4,733	4,732
Chinese	8,439	7,211
Indian	7,086	6,753
Others	4,166	4,849

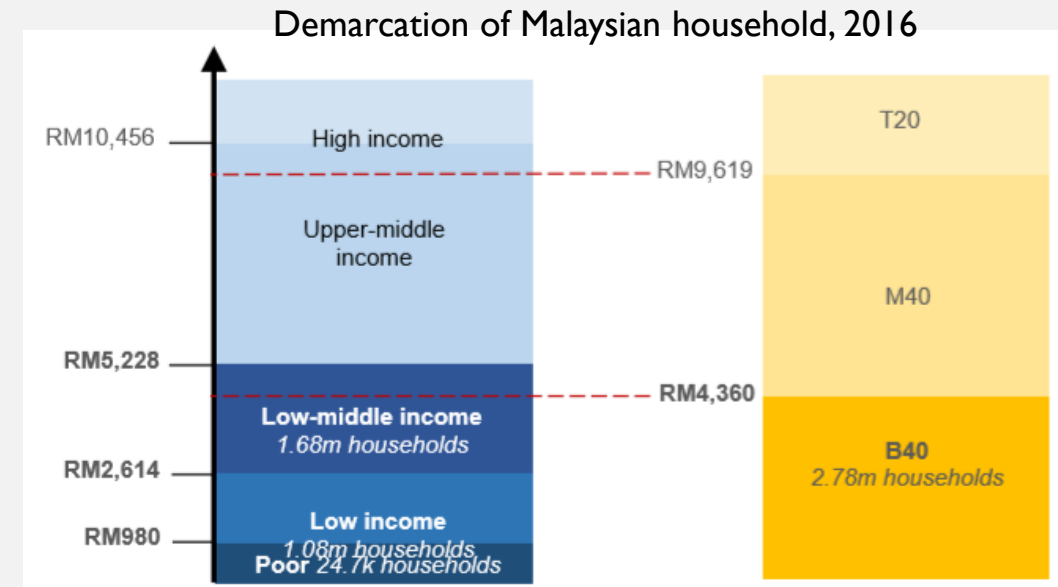## Factors Affected Urban Poverty

- ✓ **Age**
- ✓ **Income**
- ✓ **Gender**
- ✓ **Highest level of education**
- ✓ **Marital status**

Mean Household Income for Urban Area

Johor	Average Wealth (RM)	
	2016	2014
Malay	660	712
Chinese	1,003	924
Indian	674	771

Wealth Share for Urban Area

Ethnic	2016	2014
Malay	71%	50%
Chinese	25%	40%
Indian	4%	10%

Demarcation of Malaysian household, 2016

RM10,456 — High income

RM9,619

Upper-middle income

RM5,228 — RM4,360

Low-middle income
1.68m households

RM2,614

Low income
1.08m households

RM980

Poor *24.7k households*

T20

M40

B40
2.78m households

Source: Mid-Term Review of the 11th Malaysia Plan, EPU (2018)

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CONCLUSIONS

- The concept of poverty stresses income inequality as its fundamental manifestation and is reflected in the definitions of poverty

- The long term objective of poverty is to reducing income inequalities as there is a positive correlation between high income inequality and poverty levels.

- Wealth is more unequally distributed than income. Inequality in wealth between-race is significantly higher than in income.
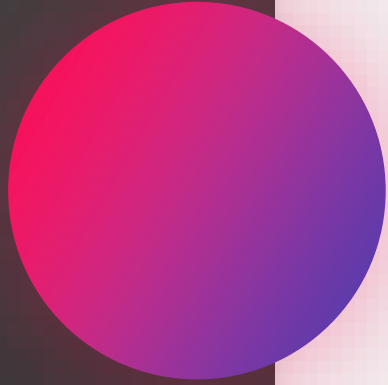
WAY FORWARD

- To further explore and analyze the inequality issue on wealth especially for urban area by using the appropriate statistical tests
- Forecast the urban poverty in order to revise PLI methodology

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Thank You