




ERADICATING EXTREME POVERTY: MALAYSIAN INDICATORS AND ISSUES

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OUTLINE

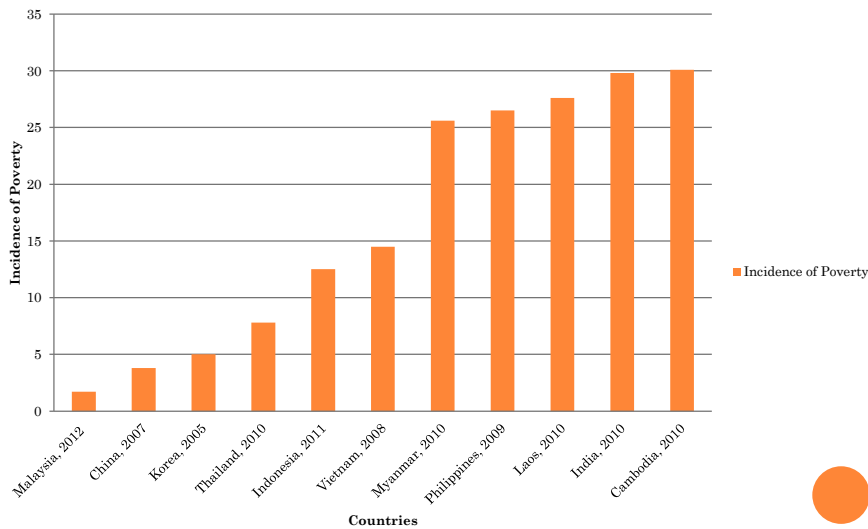
- The Context : SDG 1
 - Vulnerable Groups (women)
 - Malaysian Context
 - Malaysia: Available and Desirable Data
 - The ‘Other’
 - Summary, Issues and Challenges
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SDG GOAL 1: END POVERTY IN ALL ITS FORMS EVERYWHERE (SEVEN TARGETS)

- **Target 1.1:** By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day
- **Indicator 1.1.1:** Proportion of population below the international poverty line by sex, age, employment status and geographical location (urban/rural)
- Indicator is basically HH income-based – measuring those in employment (available data in LFS, HIS, HES etc)
- Income focused on regular income and stable employment, leaving out the informal sector and casual workers
- HH as black box: Assume shared goods, no gender inequality



POVERTY RATE IN SELECTED ASIAN COUNTRIES (%)



Source: ADB, Malaysia Human Development Report, 2013



WHO GETS LEFT OUT? WHO ARE FURTHEST BEHIND?

- Women and girls tend to be more vulnerable to extreme poverty compared to men
- Women-headed HHs more than men-headed
- Gender inequality/discrimination still pervasive
- Vulnerable groups:
 - Ethnic minorities; indigenous groups
 - Rural communities
 - Informal workers
 - Migrants (documented and undocumented)
 - Refugees/asylum seekers
 - Disabled
 - IDPs (conflict areas, environmental disasters)



MALAYSIAN CONTEXT: AN UPPER MIDDLE INCOME COUNTRY

- Malaysia defines extreme poverty (hard core poverty) to be half the poverty line index (PLI)
- Income and consumption-based by households (HIS & HES)
- PLI for Peninsular Malaysia in 2014 is RM930 : twice higher than MDG 1 indicator (Sabah: RM 1170, Sarawak: RM990)
- Reduction of absolute poverty from 16.5% in 1990 to 0.6% in 2014; extreme poverty largely eliminated
- Persistent pockets of poverty prevail: in rural areas, HHs in certain states, among certain ethnic groups, genders and age groups



*Source: MDGs Goals Report (2015): UN Malaysia, Kuala Lumpur
11th Malaysia Plan*

KEY FINDINGS OF MALAYSIAN HD REPORT 2013 AND MDGs REPORT 2015

- Head of household's education, gender and ethnicity correspond with household income
- Relative household income deprivation more acute among those with less formal education
- Poor have primary/no formal education
- Highest incidences of poverty among women-headed households and (rural) ethnic minorities
- Persistent inequalities between men and women (formal and informal sector)



VULNERABLE GROUPS: MALAYSIA

- Rural HHs (agriculture, forestry and fisheries): 65% of total poor HHs in 2014
- Other Bumiputera have higher poverty rates (Orang Asli at 34%, Bumiputera Sabah at 20.2% and Bumiputera Sarawak at 7.3%)
- Women-headed HHs (0.8%) at higher risk than men-headed HHs (0.6%)
- Children: 157,000 children under poverty line ('stateless' children – 60,000 in Sabah)
- World Bank proposed definition of vulnerable group as those 2.5 times the PLI (if so, 15% in 2014)

Source: UNDP (2014), Malaysia Human Development Report, Kuala Lumpur, Malaysia; United Nations Malaysia and Prime Minister's Department (2016), Malaysia: Millennium Development Goals Report 2015, UN Malaysia, Kuala Lumpur.



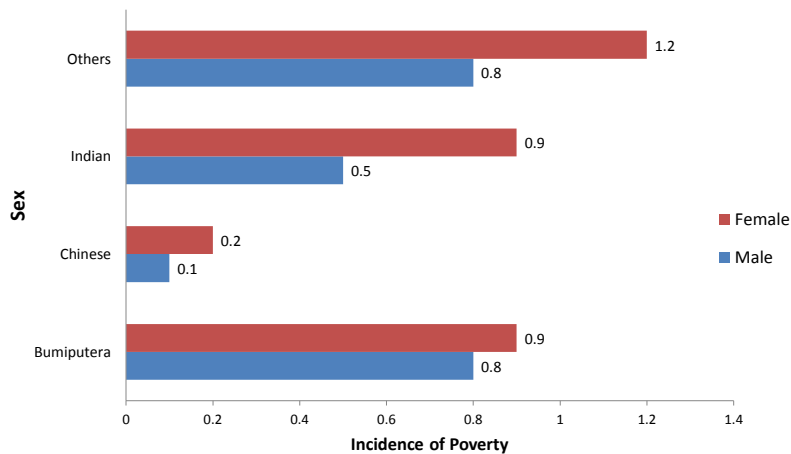
AVAILABLE DATA: HOUSEHOLD INCOME SURVEY (HIS)

- Annual statistics of the household income distribution, incidence of poverty and basic amenities
- Principal indicators by:
 - Sex
 - Household income (mean and median)
 - Age group
 - Urban and rural
 - Educational attainment
 - Occupation
 - Industry
 - Basic amenities (distance to schools, hospitals, services and so on)



AVAILABLE DATA: HIS

- Incidence of Poverty by Ethnic Group and Sex of Head of Household, Malaysia, 2014



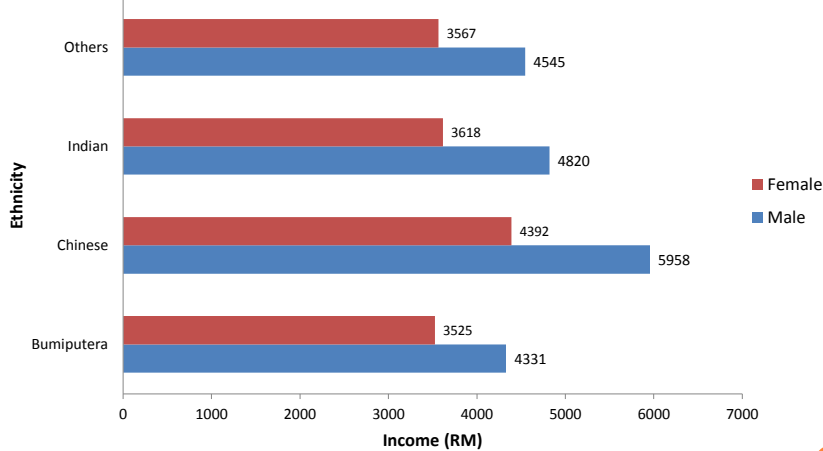
Women headed households recorded a higher incidence of poverty compared to men headed households

Source: Household Income Survey, 2014, Department of Statistics



AVAILABLE DATA: HIS

- Median Gross Monthly Household Income by Ethnic Group & Sex of Head of Household, Malaysia, 2014



Women headed households recorded a significantly lower median household income across all ethnicities

Source: Household Income Survey, 2014, Department of Statistics

DESIRED DATA

- Household Income Survey, Malaysia
 - Incidence of Poverty by Gender, Age Group and Ethnicity
 - Median and Mean Household Income Data by Sex, Age Group Ethnicity, Education, Marital Status
 - Further disaggregation of ethnicity by breaking down into ethnic (sub) groups, segregated by sex (e.g. more than 25 ethnic groups in Sabah and Sarawak, 18 OA ethnic subgroups in Peninsular)

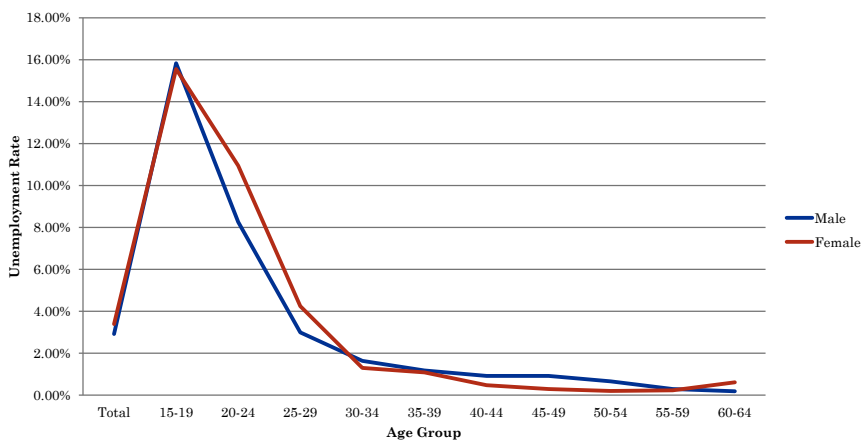
AVAILABLE DATA: LABOUR FORCE SURVEY

- Annual statistics of the labour force, unemployment and the structure of employment
- Principal indicators by:
 - Sex
 - Age group
 - Urban and rural
 - Educational attainment
 - Occupation
 - Industry



AVAILABLE DATA – LABOUR FORCE SURVEY

- Unemployment Rate by Age Group and Sex, Malaysia, 2015



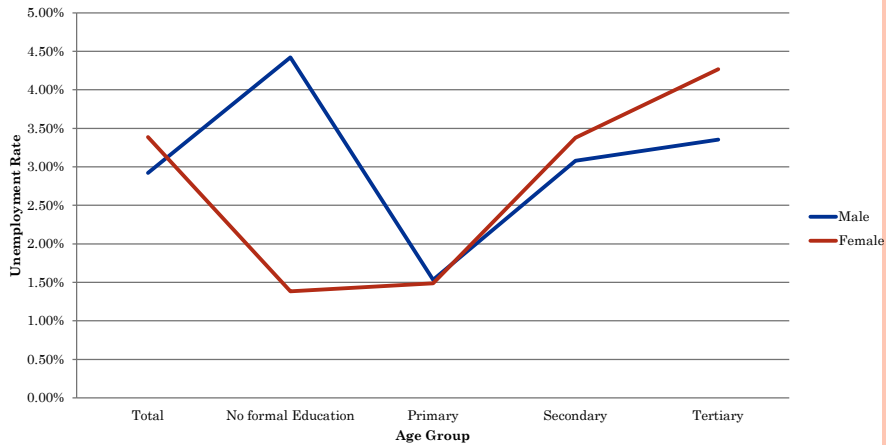
Women recorded differential unemployment rates as compared to men

Source: Labour Force Survey, 2015, Department of Statistics



AVAILABLE DATA – LABOUR FORCE SURVEY

○ Unemployment Rate by Education and Sex, Malaysia, 2015



- Unemployment rate for men with no formal education significantly higher
- Unemployment rate for women with tertiary education higher

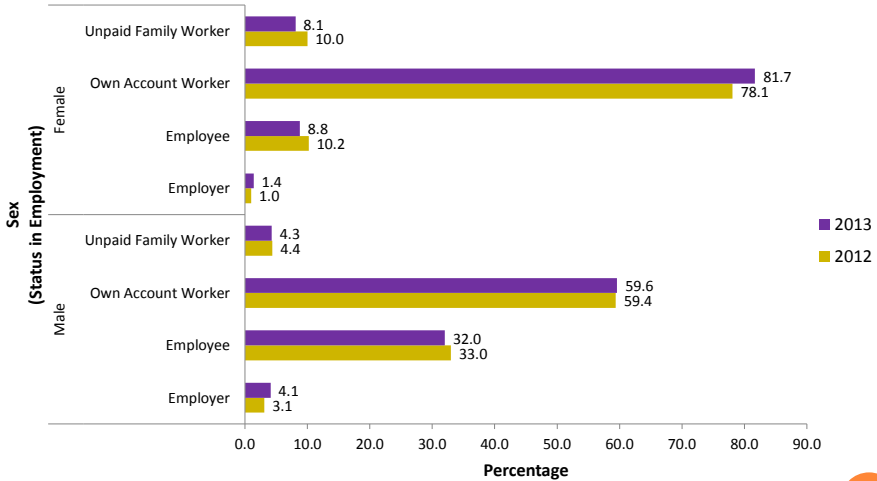
Source: Labour Force Survey, 2015, Department of Statistics

AVAILABLE DATA: INFORMAL SECTOR SURVEY

- Statistics of the informal labour force and the status of employment (employer, employee, own account worker, unpaid family worker)
- Principal indicators by
 - Sex
 - Age group
 - Educational attainment
 - State
 - Urban and rural
 - Ethnicity
 - Occupation
 - Industry

AVAILABLE DATA – INFORMAL SECTOR SURVEY

- Employment in the informal sector by status in employment and sex, Malaysia, 2012-2013 (%)

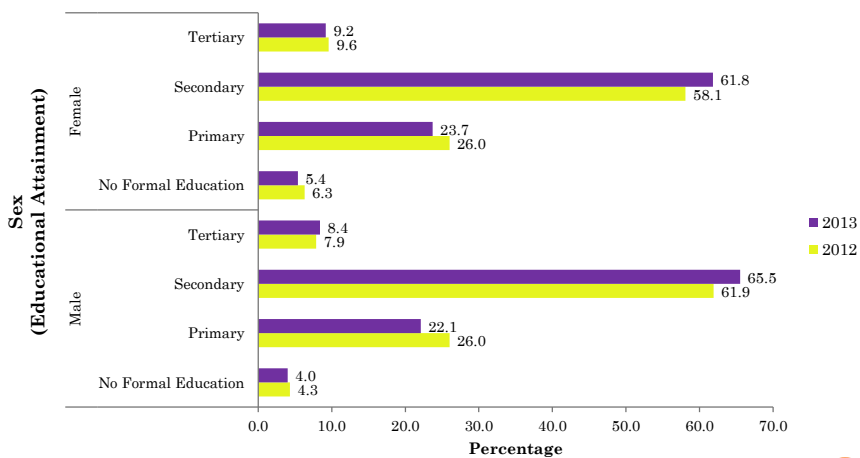


Women workers in the informal sector: higher % as employees
Own account and unpaid family workers, lower % as employers

Source: Informal Sector Workforce Survey, 2013, Department of Statistics

AVAILABLE DATA – INFORMAL SECTOR SURVEY


- Employment in the informal sector by educational attainment and sex, Malaysia, 2012-2013 (%)



Most have up to secondary education; about one quarter have up to primary education


Source: Informal Sector Workforce Survey, 2013, Department of Statistics

DESIRED DATA

- Labour Force and Informal Sector Survey, Malaysia
 - Further disaggregation of ethnicity and employment by breaking down into ethnic (sub) groups and segregated by sex
 - Labour data for migrant workers – should be further segregated than just “non-citizens” – migrant workers (documented and otherwise)
 - Data on refugees and asylum seekers
 - Income data for informal sector workers segregated by sex
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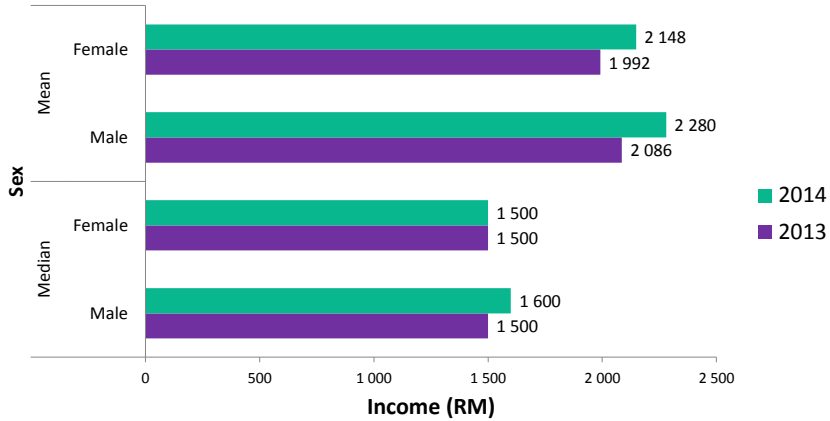
AVAILABLE DATA: SALARIES & WAGES SURVEY

Principal indicators by:

- Sex
 - Urban and Rural
 - Ethnic group
 - Occupation
 - Industry
 - Educational attainment
 - State
 - **NOT** included: informal workers, casual workers
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AVAILABLE DATA: SALARIES & WAGES SURVEY

- Median and Mean Monthly Salary by Sex, Malaysia, 2013 - 2014

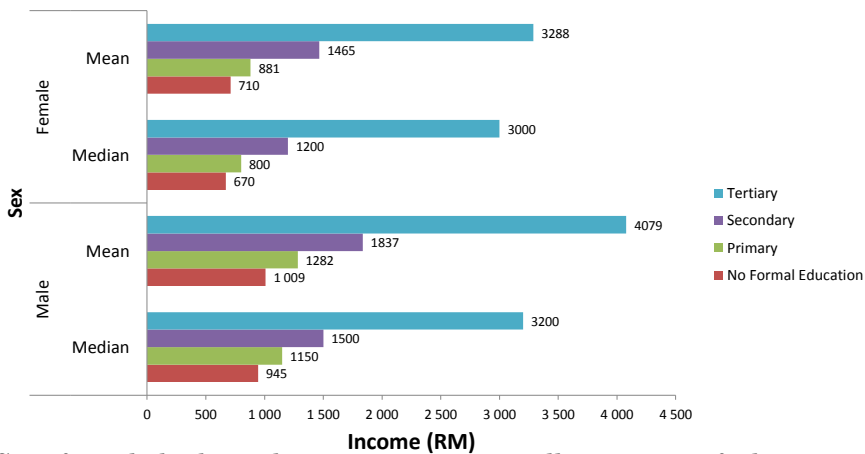


It's disconcerting to see a larger gender wage gap in 2014 (5.8%) as compared to 2013 (4.5%) – is this a sign of regression that we should be taking note of?

Source: Salaries & Wages Survey, 2014, Department of Statistics

AVAILABLE DATA: SALARIES & WAGES SURVEY

- Median and Mean Monthly Salary by Educational Attainment and Sex, Malaysia, 2014

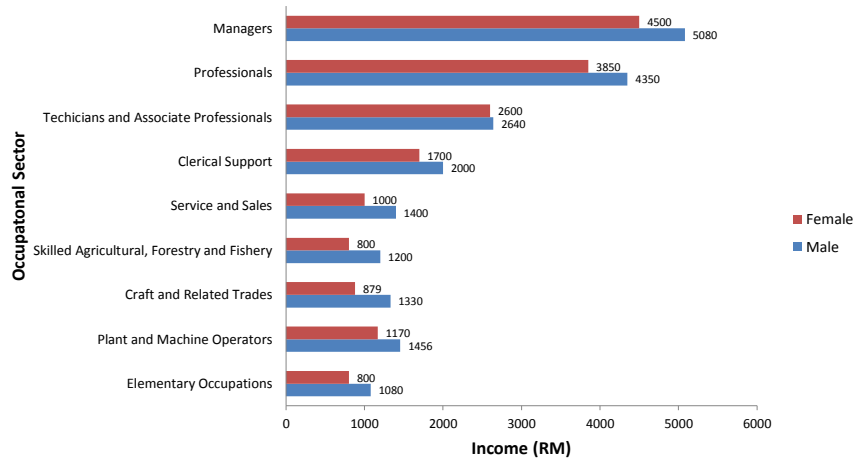


Significantly high gender wage gaps across all categories of educational attainment – a 19.39% gender wage gap for tertiary education is very high

Source: Salaries & Wages Survey, 2014, Department of Statistics

AVAILABLE DATA: SALARIES & WAGES SURVEY

- Median Monthly Salary by Occupational Sector & Sex, Malaysia, 2014



Unequal pay schedule still prevalent in Malaysia – women earn less than men in all occupational sectors, notably in elementary occupations

Source: Salaries & Wages Survey, 2014, Department of Statistics

DESIRED DATA

- Salaries and Wages Survey, Malaysia
 - Further disaggregation of ethnicity, sex and income by breaking down into ethnic (sub) groups, segregated by sex and income (wages)
 - Income data for migrant/foreign workers, segregated by sex
 - Income data for informal sector workers, segregated by sex and status in employment

AVAILABLE DATA: FOREIGN WORKERS

- Number of Foreign Workers in Malaysia by country of origin, 2015
- Number of Foreign Workers in Malaysia by sector, 2015

Country Of Origin	2015	
	Total	%
Indonesia	835,965	39.2
Bangladesh	282,437	13.2
Thailand	13,547	0.6
Philippine	65,096	3.0
Pakistan	72,931	3.4
Myanmar	145,652	6.8
Nepal	502,596	23.5
India	139,751	6.5
Others*	77,060	3.6
Total	2,135,035	100.0

Sector	2015	
	Total	%
Domestic Help	148,627	7.0
Manufacturing	450,364	21.1
Construction	745,131	34.9
Services	293,433	13.7
Agriculture	497,480	23.3
Total	2,135,035	100.0

No sex disaggregation data available for foreign workers in Malaysia; no wage data; no data on undocumented migrant workers

Source: Ministry of Home Affairs, Economic Planning Unit, Malaysia

DESIRED DATA

- Foreign Workers' Data, Malaysia
 - No data disaggregated by sex is available publicly
 - Further disaggregation of country of origin, sex, salaries and wages (low-mid skilled elementary occupations) in accordance to each sector of employment
 - Include respondents in communal and group housing

THE 'OTHER': REFUGEES

- Refugees: 158,510 refugees and asylum-seekers registered with UNHCR in Malaysia (2016)
- 69% are men, while 31% are women
- 34,300 children below the age of 18
- Malaysia is not a signatory to the 1951 Refugee Convention or associated treaties and protocols; does not provide recognition of any particular rights e.g. employment and education
- Unaccompanied women and girls, women heads of households and pregnant, disabled or older women face particular challenges, particularly with regards to sanitation, privacy and vulnerability to sexual abuse



STUDY OF AFGHAN REFUGEES

- 73 families interviewed
- Many respondents unemployed
- 78.1% could barely afford the cost of food. Only 5.5% were able to afford the cost of food “all the time” and 16.4% “most of the time”
- Living on less than \$1.25 per day

“The money for food is mainly for the children for milk. For adults, we just don’t eat for a few days when there is no money”

“I have thoughts of suicide – I don’t know what to do, for I am afraid of my and my children’s future”

Source: Health Equity Initiatives (2012)




THE 'OTHER': MIGRANT (FOREIGN WORKERS) - DOCUMENTED AND UNDOCUMENTED

- Estimates of two million documented migrant workers, and another two million or more undocumented migrant workers in Malaysia; 95% low and mid skilled
- 200,000 migrant domestic workers
- Minimum wage (RM900) applies to migrant workers.
- According to Giammarinaro, “migrant workers may be made to work long hours, lack rest days, not being paid their salary, or even suffer physical and sexual abuse ...are often exploited for cheap labour by unscrupulous recruitment agencies and employers ... trafficking of young foreign women and children for the purpose of sexual exploitation is also prevalent in the country” (Star March 9, 2015: Interview with UN Special Rapporteur on Trafficking in Persons)


THE 'OTHER': IDPS

- Risks faced by 59.5 million people who have been forcibly displaced by armed conflicts, and over 19.3 million newly displaced due to disasters worldwide (Norwegian Refugee Council, 2016)
- Those who face discrimination because of their ethnicity, place of origin and gender, are more likely to become homeless and economic vulnerabilities
- Rates of violence high among women IDPs
- Increased number of widows and women-headed households among IDP populations
- Children exposed to trafficking, sexual exploitation
- Nepal (2011 Census): 75% of 659,837 displaced Nepalese are widows, many of them war widows; 52% below 40 years, 77% cannot read or write (Yadav, 2016)

SUMMARY: DESIRABLE DISAGGREGATION

- To be made available: more in-depth statistical representation of existing household and individual income data
 - Further disaggregation of ethnicity to include ethnic (sub) groups; ethnic minorities; indigenous
 - More sex-disaggregated data regarding vulnerable groups (link to other indicators including VAW and health indicators)
 - **Refugees and asylum seekers**
 - **Migrant workers (documented and undocumented)**
 - **Disabled**
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ISSUES AND CHALLENGES

- Limitation of income-based measurement; need to be multidimensional and go beyond numbers (technocratic)
 - Gender and poverty discourse/critique of power
 - Vulnerable groups and external forces: external shocks, climate change, environmental disasters - falling into extreme poverty and hunger
 - Gaps: resources, time, reaching out to 'the other'
 - Complement with other studies (qualitative; NGOs, think tanks)
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