## THE FORTY-NINETH SESSION OF THE UNITED NATIONS STATISTICAL COMMISSION,

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## **Poverty statistics**

E/CN. 3/2018/23

The report of the World Bank on Poverty Statistics Thank you Mr/Madame honorable chair and distinguished delegates, Ladies and Gentlemen.

Malaysia would like to take note on the Report of the World Bank on Poverty Statistics.

In general, to share our experience in this matter, Malaysia was conducted the Household Income Survey and Basic Amenities (HIS/BA) and Household Expenditure Survey (HES) since 1974 and 1957/58. The data used as input to construct the poverty line that was used to measure poverty indicators for national and state level.

The Malaysian Poverty Line Income (PLI) was developed in 1977 and revised in 2005 to measure the absolute poverty. It is broadly based on the cost of basic needs approach (CBN) and distinguished food and non-food components. The food component is largely determined by nutritional requirements that deliver a balanced, healthy diet. In determining the non-food component, we based on the actual non-food spending of Malaysian households. PLI is adjusted to the current price based on the Consumer Price Index and updated in line with the implementation of HIS. In tandem with the absolute poverty, Malaysia also measures the multidimensional poverty approach proposed by Alkire and Foster.

Since the 1970's, the Government focus has been on eradicating poverty regardless of ethnicity. There has been great success in reducing the incidence of poverty from 49.3% in 1970 to 0.4% in 2016. Therefore, focus will be re-oriented to elevate the income levels of the bottom 40% households. Households within this group, irrespective of ethnicity or location will be eligible for support and resources, based on their specific needs.

In term of inequality, income distribution in Malaysia showed by Gini coefficient had been declining from 0.513 in 1970 to 0.399 in 2016.

Malaysia appreciates the effort from the World Bank and would like to participate actively in any forums/workshops/discussion on related activities.

Thank you Mr/Madame Chair. [Thank you for your attention]