

Silent suffering: Introduce targeted income support scheme for struggling households

We need to ensure that those hit hardest by the lockdowns are given the support they need.

By [Jeyakumar Devaraj](#) - 13 May 2021

Krishna, a 38-year-old widow, called me yesterday as the Perak Water Board (LAP) had cut off her water supply. Her household had chalked up unpaid bills amounting to RM400.

Krishna's husband died in a road accident five years ago, and she had come to my service centre then for help in applying for the social security organisation Socso's "survivors' pension".

As the couple's marriage had not been registered, Socso only approved the RM500 per month due to her son.

Krishna is now living with her six-year-old son and her niece Shamala, 25, who is stateless because her mother had no documents. Also living with her are the eight-month-old child of her late husband's sister – the infant is also stateless as she was born in Singapore – and a nephew, 15, whose mum is also in Singapore.

The lockdowns have hit them badly. Krishna and Shamala work as dishwashers in the restaurants that dot Jalan Lintang Sungai Siput. These are zero-hour contract jobs, ie you get paid if the boss needs you that day. Otherwise, you go home with no pay.

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The pay is RM35 for an 8am to 5pm shift. Even if one works 26 days, the monthly income is only RM910 – much lower than the RM1,200 minimum wage.

But the two dishwashers are in no position to complain. If they are identified as troublemakers, then none of the food stall vendors would employ them. The stall owners have no problem finding dishwashers. There are many women like Krishna available for hire.

Each time a lockdown is enforced, the earnings of these two women drop. Restaurants do not need dishwashers when they are only doing takeaways.

Krishna has been trying to get a job as a hospital cleaner, but there are no openings. Shamala has more difficulty, as she does not have a proper identity card.

Apart from the unpaid electricity bills, Krishna's monthly rent payment of RM350 has fallen into arrears. Because of an unstable income and the need to provide for the three children, she has racked up a RM5,000 debt with a local money lender, on which she is now paying a monthly interest of 10%. She also has had to surrender the ATM card for the account where the Socso survivors' pension is deposited. The money lender takes the entire RM500 as interest on his loan.

Krishna's situation isn't unique. Thousands of other families of all ethnic groups in the bottom 20% of households across the country are in the same boat – for this problem is not confined to Indian Malaysians. The lockdowns have made their precarious lives even more difficult.

These dire circumstances affect their families' nutrition (Krishna is having problems buying milk for the infant), health (she has diabetes and has already developed a chronic ulcer in one foot) and education (she is in no position to buy a smartphone and pay for the data for her nephew's online education).

There is no point in piously saying “kita jaga kita” (we've got each other's back) if we do not tackle the reality that the lockdowns affect different strata of the population differently.

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Pensioners like me are inconvenienced by travel restrictions but our incomes are assured. Government staff are similarly protected.

Formal workers in the private sector are on the whole fairly well supported job subsidy schemes. They also have the option of withdrawing part of their Employees Provident Fund (EPF) retirement savings.

But many workers in the informal sector have seen their incomes plunge. A United Nations Children's Fund (Unicef) study in Kuala Lumpur found that about half of the 500 families in the bottom 20% tier that it surveyed suffered a 30% or larger drop in incomes during the first lockdown with half of them having a monthly household income less than RM1,000.

Daily paid workers like Krishna, operators of small stalls and others in the informal sector are the worst affected by the lockdowns. They need targeted financial support. Giving a government cash handout twice a year isn't enough. They will continue sinking into debt and be forced to cut back on even essential needs such as food and healthcare.

The Socialist Party of Malaysia (PSM) has been calling for a targeted income support programme for families where neither parent is a civil servant or a current EPF or Socso contributor. We estimate that 750,000 families (10% of the total number of households in Malaysia) fall in this category.

A monthly cash transfer of RM500 to the mothers in these families would require an outlay of RM375m per month or RM4.5bn per year. This is a sizeable sum.

But it is much less than the RM10bn that has been used for each round of Bantuan Prihatin Rakyat handouts paid to some 10 million recipients each time (three rounds so far). Pensioners, government servants and formal sector workers also receive these payments though many of

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them have not suffered a drop in their incomes.

Families like Krishna's require much more. A targeted income-support scheme would be a great help for these families. It would also enhance the incomes of small stall operators by providing a deeper market for them.

"Kita jaga kita" is an excellent slogan. Let's lobby our MPs and the government to walk the talk by implementing the targeted income-support scheme described earlier.

It appears likely that we might need more periodic lockdowns in the coming year given the slow pace of the vaccination programme, vaccine hesitancy in a section of the population, the spread of the pandemic to our five-million-strong undocumented migrant population and the likelihood of the emergence of new Covid variants that are not neutralised by the antibodies evoked by the current vaccines.

We need to ensure that those hit hardest by the lockdowns are given the support they need.

Source: Aliran

<https://aliran.com/thinking-allowed-online/silent-suffering-introduce-targeted-income-support-scheme-for-struggling-households/>

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