Gradual increase of BR1M proves govt's concern for low-income group

KUALA LUMPUR: The gradual increase of the 1Malaysia People’s Aid (BR1M) up to RM1,200 to tackle cost of living as stated in the Barisan Nasional (BN) manifesto proves the government’s concern towards the low income group.

Universiti Utara Malaysia (UUM) lecturer of economics Prof Amir Hussin Baharuddin said the initiative showed the government has started to look at the welfare of the less fortunate.

“This is good...we should take care of the low-income earners. BR1M will help low-income households to plan their finances,” he said when contacted by Bernama.

When asked on its impact on national economic development, he said providing BR1M continuously would not affect the development of the country’s economy.

Rather, he said the economy will continue to flourish through expenditure by the low-income group and contribution to the country’s cash flow.

“Usually, if the government gives money to low-income earners they will use the money instead of saving it compared to high-income earners. They will use the BR1M they get to buy household needs and it will create demand in the market,” he said.

He said high demand in the market will generate job opportunities and new businesses.

Meanwhile, Federation of Malaysian Consumers Associations (Fomca) president Datuk N. Marimuthu also concurred that low-income earners still need assistance from the government.

Through BR1M, he said the government will indirectly resolve issues which crop up among poor households.

“...ensure that they (low-income group) are really eligible for this aid. The low-income group will usually spend the BR1M on things which they could not buy before,” he said.

Therefore, Marimuthu said the situation will boost the people’s purchasing power and help traders in the country to make profits.

Lorry driver Mohd Asri Ismail, 44, said BR1M would help reduce the burden of daily expenses which included the cost of supporting three school-going children.

“I can also use the money to buy things we could not afford previously. If BN wins and continues to get the mandate, I hope the BR1M will become a permanent aid for low-income earners like me,” he said.

A housewife and also BR1M 2.0 recipient, Nurul Fatiha Razak, 26, said the aid was useful during mid-month to help with the family’s expenses.

“I also received the previous BR1M which I used to buy things such as formula, diapers and to pay electricity and water bills. I hope the price of goods won’t increase with the payment of BR1M,” she said. – Bernama