

Living on the Edge

Longitudinal study on post-COVID-19 impact assessment among low-income households in Kuala Lumpur

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May 2024 Key Highlights

This study is a continuation of the Families on the Edge (FOE) project, a four-phase mixed-methods longitudinal study commissioned by UNICEF and UNFPA to measure the impact of the pandemic on women and children in low-income families in Kuala Lumpur.

Living on the Edge focuses on a survey undertaken post-pandemic, conducted from October 14, 2023, to November 16, 2023, with data collected from a total of 755 low-income households living in sixteen low-cost public housing in Kuala Lumpur. The sample consists of 501 households with approximately 30% representing respondents previously interviewed under the FOE project, with a booster sample of 254 households consisting of households led by women.



Key Highlight 1

While there have been improvements in the labor market and earnings, the prevalence of poverty persists, particularly among women, children, and those with disabilities.



Median monthly household earnings have recovered to pre-pandemic levels. Median monthly household earnings have increased by 32% to nearly RM3,000. Among female-headed households, median earnings are RM1,600 or 23% higher than in 2019. Monthly household earnings among households headed by a person with disability are the lowest at RM1,550.



Poverty remains high at 41% in Oct 2023, albeit lower than 45% in March 2021. Among female head of households, poverty rate is at 59% (March 2021: 62%). Poverty rate is highest among households headed by a person with a disability, at 67%. Hardcore poverty rate is 8%, and it is highest among households headed by a person with disability, at 17%.



Majority of heads of households (HoH) are back at work. Unemployment rate has reduced from 12% in March 2021 to 5.9% in October 2023. The unemployment rate among female headed households also declined, from 16% to 7.4% during the same period. The unemployment rate for heads of households with disability is the highest at 10%.



Children remain vulnerable. Almost all (95%) of children live in relative poverty, and 40% live in households below the poverty line.

Key Highlight 2

There is a pressing need to enhance social protection and assistance programs.



Majority of the HoH are employees. The percentage of self-employed dropped from 1 in 4 to 1 in 5 between March 2021 and October 2023.



72% received some form of social assistance, 68% received STR, and 23% received zakat.



However, 40% of workers have no employment-based social protection (38% for females), including those who are employees (26%), and highest among self-employed (92%).



However, coverage can be improved as about 1 in 3 households with income below RM5,000 per month do not receive STR.

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Key Highlight 3

The rise in food prices is causing significant financial strain for the households.



Currently, 8 out of 10 households struggle to generate adequate income to meet their basic needs, higher than 7 out of 10 reported during the pandemic.



Majority of all households (90%) are grappling with the impact of the soaring cost of living, particularly concerning food prices, while approximately 50% perceive their financial situation as deteriorating compared to 2022.



To cope with the escalating expenses, families work harder, cut back on spending, and even reduce their food intake. Their children, who are already facing health challenges, are also eating less, with 1 out of 2 eating less than three meals per day.

Key Highlight 4

Low-income families face greater challenges in accessibility and quality of education.



Parents are increasingly concerned about the future prospects of their children, particularly regarding the accessibility and quality of education.



The cost of providing a child's education has seen a notable rise, with 78% of households indicating an increase in costs for transportation, co-curricular activities, and school canteen meals since the onset of the pandemic.

Key Highlight 5

Parents are experiencing heightened mental stress, surpassing levels observed during the pandemic.



The majority of households (3 out of 4) have expressed that the increased cost of living is adversely impacting their mental well-being, with approximately 1 in 4 reporting heightened feelings of depression compared to during the pandemic.



1 in 3 households believe that their financial circumstances will further deteriorate, contrasting with 1 in 4 in 2021.

Key Highlight 6

Higher wages are preferred, not petrol subsidies.



Increasing wages and maintaining ongoing cash assistance programs are the preferred policy measures for households in alleviating the impact of the rising cost of living.



Cash assistance and price controls on food items are deemed the most beneficial measures for households, whereas the petrol subsidy is not widely regarded as helpful, with only 7% expressing support for it.