MEASURING POVERTY AMONG ELDERLY MALAYSIANS

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ABSTRACT

Malaysia is projected to become an aged nation by 2035. Poverty among the elderly should be measured using different methodology as to differentiate them based on the different dimensions of poverty and to reflect the true differences in needs and resource insufficiency among elderly. How poverty is measured will influence coverage of programs for older persons and no specific measurement to determine poverty among older persons. This paper is focusing on the issue of poverty measurement among elderly in Malaysia. Household income data obtained from the Department of Statistic Malaysia will be utilized to examine the incidence of poverty among older persons in Malaysia. Incidence of poverty among older persons will be measured using two measurements; absolute poverty **(**Poverty line income (PLI) RM720) and relative poverty **(**Half Median income of Malaysia RM1813). Three unit of measurements; individual income, income of households with older person and income of households headed by older persons will be used to measure poverty. Measuring poverty using individual income will support the philosophy of economic empowerment of older persons. While using income of household with older persons will provide picture among 62% older persons' co reside with their children. Income of household headed by older persons will reflect the economic situation of household headed by older persons, proportion expected to increase in the future. Data of the study comprised of 184,447 individual member records of which 16325 were those age 60 and older (8.85%). There was also information on 43026 households, 7892 of which are headed by those ages 60 and older (18.3%). The incidence of absolute and relative poverty using the three measurement units will be calculated and the policy and program implications of such measurement will be discussed.

Key words: income, absolute poverty, relative poverty, older persons,