

Is the Malay Middle-Class Growing?

A Respond to TNP Report on the Growing Malay Middle-Class

By

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The New Paper article (*A Look at the Malay Community*, **Friday, 8 December 2006**) is perhaps the first few detailed media report on the Singapore Malay community since the General Household Survey 2005 was released in June/July this year.

The tenor of the report is to portray that the Malays have grown prosperous over the years, evident from the growing income and higher social mobility, as asserted by economist/currency-strategist, Mr. Nizam Idris.

While such positive reporting is much appreciated, the report commits the error of using selective of data; thus, not representative of the true state of affairs within the Malay community.

Here, I would like to point out a few observations which may have been omitted due to certain constraints and where its omission has caused a distortion of the real situation:

1. From the report, it seems that the definition of a middle-class correlates with income of \$2000 and above. This is misleading as the median income from work at national level is \$2410 and the median income for Malay workers is \$1800. Therefore, more than half of the Malay workers are earning below the national median.
2. The report highlighted that 22.9% of Malay workers are earning between \$2000-\$2999 (the biggest proportion) and those earning \$3000 and above makes up 21.3% (close second). This is inaccurate because, following a \$1000 banding, the biggest proportion would be the \$1000-\$1999 band, which is 37% of the Malay workforce.
3. The report fails to indicate the high dependency ratio of the Malay population. 26% of the Malay population is under the age of 14. Of the remaining 74% of Malay population 15 years and above, only 58% of them are in the workforce, which constitute only 42% of the total Malay population.
4. The 'success' of the Malay community, as with other ethnic groups, cannot be judged solely on the income of individuals. It is necessary to take into consideration the individual's household expenditure, number of dependents, the

kind of lifestyle (which will be very much affected by how income is being supplemented in the household e.g. presence of other working adults), and how the income is distributed across the occupants in the household.

5. To note, the national median household income stands at \$3830. In comparison the Malay population's median household income stands at \$2830. This means that more than half of Malay households (about 63%) are living on a household income under the national median. (Note: With a \$2000 household income, these families may qualify for some assistance in some social service agencies.)
6. In contrast, the Household Expenditure Survey 2003 indicates that at the second quintile, the average expenditure for a family of 4 is \$2100.

Therefore, income bracket alone does not reflect the status of the middle-class. It is necessary to contrast income against dependants, the actual cost of living at the point of time, actual disposable income, availability of supplemental resources, and other associated factors that define 'middle-class'.

It cannot be denied that the Singapore Malay community today has seen some improvements. However, when compared to the challenges of the globalised world today as well as the actual cost of living, the progress is definitely slow. At the same time, it is necessary to highlight that the problems faced by the Malay community cannot be viewed as the 'Malay Problem'. The Malay community is part of the nation and it is imperative that the Malay community be viewed together as Singaporeans.

The pace of improvements is not only affected by lack of motivational factors; structural factors and failure to address effects of societal trauma slows down the progress of the Malay community. Discriminatory practices still exist in the area of employment and education. For example, in recent years, a substantive number of Malay PSLE students scored enough to qualify for special stream secondary education. However, the absence of Malay language as a mother-tongue option offered in many top schools has deprived these bright students from receiving the best education from such top schools. In another example, there have been a substantive number of employment advertisements on a daily basis that continue to discriminate by language spoken despite the fact that the business focus of the recruiting companies may not deal directly with a purely monolingual society (with an inability to understand English). In the arena of social support, there are Family Service Centers (FSC) in Singapore without a Malay-speaking case worker while some centers cater purely to a discriminate group despite national resources being used to set up and run these FSC.

These are some of the challenges that the Malay community faces. It has to be noted that Malay/Muslim self-help groups and volunteer welfare organizations (VWO) are doing their maximum to address the issues. Yet, efforts to help the Malays cannot be the burden of the community alone since, to reiterate, the Malay community is part of the larger Singapore society.

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A LOOK AT THE MALAYS COMMUNITY

Middle class is growing

More students passing O & A levels, nearly half of workers earn at least \$2,000 a month

By Ng Tze Yong

JUST who is the real Malay here?

Is he saddled with social problems like drug addiction and divorce? Or is he somebody who has progressed, through education, to become a professional?

Academically, at least, Malays have made much progress over the last 10 years, according to the latest data released by the Ministry of Education. (See chart at right.)

Last year, 94.4 per cent of Malays who sat for the PSLE qualified for secondary school, up from 90.1% in 1996.

Strikingly, 62.8 per cent of O-level Malay students got five O-level passes compared to 47.9 per cent 10 years ago.

There was also an 8 percentage-point increase in the number of Malays who obtained full A-level certs of two As and two AO passes, including General Paper.

So is the glass half-empty or half-full?

It's a dilemma that's always a talking point in the community.

Last month, Mr Imram Mohamed, the chairman of the Association of Muslim Professionals, raised eyebrows when he warned of a gloomy future for the Malays.

He said the community is fraught with problems, which include crime, drugs and teen pregnancy. He also said there's a disproportionately high number of Malay-Muslims in the low-income group.

But Malay MPs fired back. While acknowledging the social problems, they said things have improved and will continue to get better.

Based on income figures, that seems to be so, at least at first glance. Last year, the average monthly pay of Malays here was \$2,200 - up 7.8 per cent from five years earlier.

The national average income growth, however, was 12.5 per cent.

Next, The New Paper checked the General Household Surveys of 1995 and 2005 to gauge how individual monthly income levels have changed in those 10 years.

In 1995, the biggest group of Malay wage-earners - 29.5 per cent - took home \$999 or less every month.

Only 6.4 per cent occupied the top tier of \$3,000 and above.

By last year, the income distribution had become more even.

The biggest proportion of Malay workers - 22.9 per cent - now occupy the second-highest pay scale of between \$2,000 and \$2,999.

Nationally, across all races, the percentage of those in this bracket grew less during the decade, from 17.6 in 1995 to 20.99 last year.

And those at the top income level of above \$3,000 come in a close second, making up 21.3 per cent of Malays.

So it would appear that income levels have increased steadily over the years.

But cold statistics aside, have the Malays really moved up the social ladder in Singapore?

Economist-turned-currency strategist Nizam Idris told The New Paper there is definitely a growing Malay middle class.

He said: 'Economists use social mobility as the best way to measure whether there has been an improvement from one generation to another in terms of education and income level.

'When we consider these factors, the Malays have progressed. Most of them are better qualified and are in better-paying jobs compared to the generations before.'

Perception or reality? Are today's Malays doing enough to seize the opportunities available to them?
