



**#REFSAWISHLIST**

**12TH MALAYSIA PLAN:  
WHAT SHOULD WE ASK  
FOR?**

# THE 12TH MALAYSIA PLAN: WHY DOES IT MATTER?

The 12th Malaysia Plan (12MP) introduces a **comprehensive blueprint for Malaysia's economic and institutional reform.** The 12MP is a policy roadmap that is important for:

## 1. The People

- Bread and butter issues such as wages, jobs, and cost of living

## 2. National Industries

- Addresses the growth, development, and resilience of existing and new industries in the country

## 3. Government Institutions

- Address inefficiencies and resource distribution in various government agencies

The 12MP will provide important reference points for future policy making. Hence, we need to **hold the government accountable** and make our needs and requests known. Here's what you, as a Malaysian citizen, can ask for.

# #REFSAWISHLIST FOR THE PEOPLE REDUCE INEQUALITY THROUGH A COMPREHENSIVE SOCIAL SAFETY NET

To achieve a more equitable society, we need to **uplift communities at the margins** who are hovering around the poverty line. Targeted policies are required to ensure they are not left behind.

## REFSA RECOMMENDS:

1. **Cash support programmes should be reviewed and streamlined** to ensure that they are adapted to recipients' social conditions.
2. **Expand unemployment schemes** to cover a greater segment of the population. Doing so might reduce the forced transition into more tenuous and lower-paying forms of employment, such as the gig economy.
3. **Ensure a fair implementation of tax burdens.**

# #REFSAWISHLIST FOR THE PEOPLE RESHAPE AND REORGANISE THE HEALTHCARE SYSTEM

We need to **increase investment and government spending on Malaysia's public healthcare system.** Did you know that Malaysia's health expenditure stands at 3.8% of GDP (2018) as opposed to an average expenditure of 6.8% among upper-middle income countries?

## REFSA RECOMMENDS:

1. **Strengthen collaboration** between existing private healthcare sector players and the government
2. **Invest resources** on mental health care and treatment
3. **Champion big data and smart partnerships with stakeholders,** such as collaboration with insurance companies to improve the provision of health coverage

# #REFSAWISHLIST FOR THE PEOPLE ADDRESS FOREIGN LABOUR ISSUES

The 12MP must address the underlying **issue of our overreliance on foreign workers** in almost every sector of the economy. We must improve the minimum standards of housing for foreign workers, as well as the process for “transfer” of foreign workers among companies.

## REFSA RECOMMENDS:

1. A thorough **evaluation of the number of foreign workers needed** by each sector of the economy.
2. Introduce a **properly priced foreign worker levy**.
3. A smoother and more **transparent processing of applications** for foreign workers.
4. Recruitment of foreign workers based on **internationally agreed upon standards**.
5. **Proper documentation** of foreign workers in the country.
6. **Set targets** to reduce foreign workers over time.
7. **Increase incentives** to reduce dependence on foreign workers.

# #REFSAWISHLIST FOR INDUSTRIES TRIGGER HIGHER AND CLEANER GROWTH THROUGH A MISSION-ORIENTED INDUSTRIAL POLICY

Currently, Malaysia relies too much on primary industries such as palm oil, fossil fuels and property development. The government should **convene all stakeholders** in a particular problem to formulate specific challenges.

## REFSA RECOMMENDS:

1. Create broader industrial policy that builds on the concept of missions.
2. Provide “patient finance” - finance that doesn’t expect short-term return.
3. Attract global corporations by financial incentives but more importantly, through depth of skills and expertise that we developed in a given area.

# #REFSAWISHLIST FOR INDUSTRIES ALL MINISTRIES MUST EMBRACE DIGITALISATION

**All Ministries must be involved in digitalisation and Industry 4.0-related initiatives.** This means embracing and adopting big data analytics (BDA), the internet of things (IoT) and artificial intelligence (AI) in the government's overall growth strategy.

## REFSA RECOMMENDS:

1. The Ministry of Agriculture and Food Industries can use IoT devices to measure soil fertility and PH levels in the agricultural sector.
2. The Ministry of Environment and the Ministry of Energy and Natural Resources can use drone technology to map and monitor rivers and forests to combat pollution and illegal logging respectively.
3. The Ministry of Transport can call for the use of BDA and real-time traffic cameras to improve the deployment of tow trucks to traffic accident sites.

# #REFSAWISHLIST FOR INDUSTRIES IDENTIFY NEW AREAS OF ECONOMIC GROWTH

**The government should be more forward thinking** in discussing what it sees as the key megatrends or themes for Malaysia and the region moving forward, such as geopolitics, digitalisation and an aging population, and how the country intends to prepare for these developments.

## REFSA RECOMMENDS:

1. Adopt an all-of-society approach to promote the growth of new sub-sectors in the country.
2. Ensure that the civil service sees itself as a facilitator rather than a gatekeeper of economic growth processes.



# #REFSAWISHLIST FOR INSTITUTIONS IMPLEMENT A ROBUST INSTITUTIONAL REFORM

The 12MP should **position the state as an essential participant in the economy.** However, the COVID-19 pandemic has shown that an all-powerful federal government may lead to severe mismanagement and adoption of policies with asymmetric effects. Therefore, the government should look to **decentralise institutional power and resources** to ensure fairness and efficiency in various sectors:

## REFSA RECOMMENDS:

- (1) The government should set bold missions for the country and orchestrate private and public sector participants to deliver them.
- (2) The federal government should devolve significant authority to the state and local level.
- (3) Empower local government representatives to decide on policies and budget allocations, since they are closest to the ground.

# WHAT DO YOU THINK?

What would you like to see in the upcoming 12th Malaysia Plan?

Let us know your wishlist in the comments section!



Read REFSA's full policy paper on the 12th Malaysia plan and access our references at <https://bit.ly/12MPwishlist> or by scanning the QR code above!