



PERSATUAN ALUMNI PEGAWAI TADBIR DAN DIPLOMATIK
Administrative and Diplomatic Officers' Alumni Association
(ALUMNI PTD)

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**PRESS STATEMENT BY PERSATUAN ALUMNI PEGAWAI TADBIR DAN
DIPLOMATIK (ALUMNI PTD)**

STRATEGIC DIRECTION FOR THE 12TH MALAYSIA PLAN, 2021-2025

In responding to the call from the Ministry of Economic Affairs' (MEA) for all Malaysians to contribute ideas for the formulation of the 12th Malaysia Plan, 2021-2025, the *Persatuan Alumni Pegawai Tadbir dan Diplomatik* (Alumni PTD) formed a Working Group comprising members with the relevant experience and knowledge to discuss, deliberate and formulate recommendations for consideration of the Government.

The Alumni PTD is of the view that it is inevitable that the 4th IR will result in major transformations arising from the fusion of technologies, the speed, scope and intensity of which would be unprecedented. Technological breakthroughs will create new possibilities to increase income levels while it could also lead to more income disparity and disrupt the labour market

Other challenges include the ongoing trade war between the United States and China, declining market and prices for primary commodities, low GDP growth, and an increasing disparity in incomes.

In the face of the above, Alumni PTD feels that the preparation of the 12th MP should focus on seven key areas: **good governance; institutional and structural reforms; new areas of growth; education, employment and productivity; aging and health; foreign workers; and implementation of the Plan.**

Alumni PTD feels very strongly that **the long term viability of our country depends on good governance, which is a combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing, all of which are applicable to political leaders, the bureaucrats and business executives.**

Institutional and structural reforms include the review and restructuring of state institutions so that they respect human rights, practise the rule of law and are accountable to the people. In this context, Alumni PTD is of the view that the Parliamentary Select Committees, with their own staff and budget, can carry out their oversight functions without fear or favour. The Judiciary, the Malaysian Anti-Corruption Commission and enforcement agencies, like the Police, must be seen to be independent for investors to have confidence in the institutions of the country and in the stability of the Government.

One of the strategic thrusts identified by the MEA to achieve the shared prosperity vision of the 12th Malaysia Plan is the need to identify new growth areas to provide new sources of sustainable growth and higher income; uplift the income level of small holders and farmers and urban poor; and provide new entrepreneurship opportunities. **New growth areas recommended by Alumni PTD for consideration include: manufacturing and service industries capitalising on the 4th IR, for which a new Industrial Master Plan is required; capitalising on the new accessible areas along the West Coast Expressway; capitalising on the biodiversity riches for the tourism and the herbal industries; promoting new agricultural exports like durians and bringing the market to the farmers; capitalising on our geographical position, our modern economy, infrastructure and diverse culture as a gateway for visitors and cargo to other ASEAN destinations and even to China; creating mega and modern city centres with the involvement of the Federal Government, such as the Malaysian Vision Valley 2.0 in Negri Sembilan, to generate sustainable economic growth, modern infrastructure and generate employment opportunities; consolidating idle land for commercial farming by the private sector; and creating clusters**

in new areas with good access to facilitate the development of entrepreneurs.

Alumni PTD accepts the fact that disruptive technologies under the 4th IR will affect employment opportunities and the structure of employment. **To address graduate unemployment, Alumni PTD is of the view that public universities must be consolidated and their courses streamlined to meet the demands of the employment market under the 4th IR.** Unemployed graduates may need counselling. At least two-thirds of the school leavers should attend technical and vocational education and training (TVET) in fields that are in demand under the 4th IR. Multi-skilling and multi-tasking in public and private sectors are needed to increase productivity.

Malaysia will have an aging population, when 7% of its population are aged 65 and above by 2020. Implications include increase in costs for health care, caring for the aged and lower productivity with a smaller percentage in the productive group. **It is recommended that our health care system focus more on preventive health care through healthy living, exercise and diet aided by smart health communities and virtual networks among interested individuals.** There is also an urgent need for the government to design an insurance scheme for those who can afford to be able to access the more expensive private health care facilities. Some forms of savings schemes should also be made available to alleviate this group's financial needs. Contribution to the scheme should be affordable. This will help ease government's burden in caring for the aged and promote a culture of savings for health among the work force. **The government should also consider imposing a wealth tax - a levy on the total net value of assets owned - as an additional source of revenue to help care for the aged.**

Alumni PTD is also of the view that the government should consider placing all care centres and facilities under the Private Health Care Services and Facilities Act (2006) to provide more comprehensive health care services for the elderly. The government should develop a policy to train more professional local caregivers and regulate their salaries as well in order to make them attractive to the locals. The government should also provide the

necessary infrastructure to promote volunteerism among the aged to utilise their idle time.

It has also been observed that there is a growing need for affordable retirement and resort homes for the aged. The government should develop a policy to assist private sector developers by providing subsidised land and facilitating by-laws to promote this new industry.

With proper policies and training, aged citizens who are still productive can be gainfully employed in the retail, restaurant, banking and customer services sectors. They can replace foreign workers

Foreign workers remit an estimated RM34 billion a year to their own countries. While locals are reluctant to do 3D (difficult, dangerous and dirty) jobs, foreigners are willing to work long hours and are more disciplined, making them more attractive to the employers. Some foreign workers are now sub-contractors or are owners or partners in businesses. However, the use of foreign labour, especially the undocumented ones, tend to depress wages.

The Government needs a road map to reduce our dependency on foreign workers. We do need foreign workers for specific sectors only, like plantations and some 3D jobs. Employers should be forced or given incentives to go for more automation and mechanisation to reduce the dependence on foreign workers. Locals, not foreigners, should be employed in the retail and manufacturing sectors as sales personnel, production operators, cashiers etc. **There is also a need to have an organised system to bring in foreign workers, monitor their whereabouts and their welfare and be sent back as soon as their term finishes. Thus, all matters relating to foreign workers should be under one agency.** Effective enforcement is required to ensure they work in the sector that they are supposed to work. The roles of the employers must be redefined and they must be made more responsible.

Implementation of the Plan is as important as its planning. Governance and integrity of the implementation machinery and the implementors is crucial to prevent leakages, abuse of power/positions, corruption and downright incompetency. **The Government must implement projects to meet the**

needs of the people. Contractor-driven projects, direct negotiation projects and projects that are beneficial to the elite few must be avoided.

Public officials must be transparent and be accountable/answerable for the results. Prompt preventive actions and punishments must be part and parcel of the government's plan to rid the country of corruption. Integrating IT projects, currently done in silos, will not only lead to cost savings but also allow us to reap the full benefits of the 4th IR.

A total review of the Public Service is needed to rationalise and restructure some entities and their functions to avoid overlaps and duplication. A reduction in the size of the civil service would result in a lean, efficient, accountable and sustainable service. The government must also reduce the number and size of central agencies but increase the capacity of implementing agencies. **Monitoring and evaluation of policy implementation should become an important role for the Public Service.**

With the 4th IR, we need to embrace an agile governance, where regulators must continuously adapt to the new and fast-changing environment, and reinvent themselves to understand what it is they are regulating. **There is a need for flat rather than hierarchical structures as well as decentralization and devolution of powers for quick decision making. Job security and pensionable schemes are no longer tenable.** We need people with new skills all the time. The government must have the freedom to hire and fire based on current requirements. **Hence, the need to go for contract and short term appointments with EPF and other private pension schemes.**

There is a **need to ensure that the country's foreign policy and its many diplomatic missions overseas are used strategically, to help support a faster integration of the ASEAN community for purposes of ensuring greater stability.**

Alumni PTD strongly believes that an underlying purpose of national development is the need to develop our people in terms of knowledge and skills as well as socio-cultural values. **We need a nation of people imbued with**

values like honesty, integrity, resilience, self-reliance, strength, trustworthiness, diligence, discipline and with a high level of determination. Thus, there is a need to redefine and rationalise what kind of social safety net should be put in place that will, in fact, generate positive results and avoid creating a dependency syndrome.

Similarly, Alumni PTD believes that businesses and enterprises should rely less on government support and aim for independence and be prepared to compete on a level playing field. **It is high time that the private sector become the engine of growth, thereby helping to reduce the financial burden on the government.**

**Persatuan Alumni Pegawai Tadbir Dan Diplomatik
(Alumni PTD)**

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