

PRESS CITATIONS

Govt to address country's structural issues in Budget 2022 while rolling out Budget 2021

PRESS CITATIONS | 02 FEBRUARY 2021



KUALA LUMPUR, 2 Feb – The government has started working on Budget 2022 to address the country's structural issues while rolling out Budget 2021 to ensure the country's future measures are not only strategic, but also targeted, on-point and outcome-based, said Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz.

Referring to Budget 2022 and the 12th Malaysia Plan, Tengku Zafrul said there are structural issues that cannot be solved overnight, requiring deeper consideration and longer-term planning.

"The government has started working on fresh ideas for Budget 2022 even as we roll out Budget 2021 measures and the Ministry of Finance (MoF) is looking at these ideas in a more holistic manner," he said during the Bursa Malaysia Forum, aired on BernamaTV (Astro 502) today.

The upcoming 12th Malaysian Plan (MP), for the 2021-2025 period, and Budget 2022 would address issues including human capital policies and the United Nation's Sustainable Development Goals (SDGs).

"We need to revamp Malaysia's human capital policies, whereby, for instance, a Malaysian graduate is happy to work as a waiter at a restaurant in a neighbouring country because of the higher pay, while jobs that are considered dirty,

Bahasa Malaysia     

He said the situation reflected on a serious underemployment issue, which could be due to lower wages for graduates in this country, which could, in turn, be due to wage increase not being on par with productivity or increase in skills and an industry-education system mismatch.

"Hence, (we need to) come up with a holistic solution and this requires a longer-term planning and cooperation across various ministries and the private sector to produce a workforce that stands ready for challenges in the digital era, and for areas like agritech, edutech, mobility and Artificial Intelligence," he added.

On the Environmental, Social, and Corporate Governance and Malaysia's Shared Prosperity Vision, Tengku Zafrul said Budget 2021 is the first budget aligned to the SDGs, while the 12th MP will provide a more holistic blueprint towards sustainable growth, strengthening socioeconomic inclusivity as well as better environmental sustainability.

"The COVID-19 and recent floods across the country have highlighted the need to develop a more resilient economy in the longer term, and that entails investing in more updated, sustainable infrastructure and engines of growth. To this end, the MoF has also started revisiting the roles and mandates of government-linked investment companies and government-linked companies (GLCs).

"Perhaps GLCs need to also have SDG-related key performance indexes (KPIs), apart from their quantitative KPIs. Further, for Malaysia's Shared Prosperity Vision to be embraced by the whole economy, including the private sector, there must be matching policy decisions firstly on socio-economic matters (like enhancing the quality of our education system, for both vocational and academic), which must be matched against our policy on promoted industries or sectors; which must also be matched with our policy on diversifying the economy," he added.

On the country's shadow economy, Tengku Zafrul said the government would also strengthen the country's revenue base via a multi-pronged strategy through regulating the shadow economy.

"Regulating the shadow economy will also ensure that informal sector workers are protected. Additionally, we are executing our Medium-Term Revenue Strategy, which among others, will diversify our economy, enhance our tax framework to reduce leakages and reduce our dependence on commodities," he said.

The shadow economy was estimated to be 18 per cent of the gross domestic product or about RM300 billion in 2019.

[Bernama](#)[Press Release](#)[Speech](#)[Press Citations](#)[Videos](#)[LAKSANA Report](#)

POPULAR TAGS

[BERNAMA](#)[TENGKU ZAFRUL](#)[BAJET 2022](#)[COVID-19](#)[LAPORAN LAKSANA](#)[TMK 1](#)[KELUARGA MALAYSIA](#)[PENJANA](#)[PRIHATIN](#)[TEAM MOF](#)[PRICE OF PETROLEUM](#)[HARGA MINYAK](#)

Bahasa Malaysia

