



PEMANDU
UNIT PENGURUSAN PRESTASI DAN PELAKSANAAN

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Budget 2011 Focused on Transformation

Putrajaya: Budget 2011, with the aim to position Malaysia as a developed and high-income economy with inclusive and sustainable development, will continue to ensure that the most conducive socio-economic environment is created through the Government Transformation Programme (GTP) to underpin growth.

Budget 2011 was formulated with a firm resolve to bring about significant changes to the nation's development and well-being of the Rakyat. The government is committed towards accelerating the country's transformation process and this is clearly reflected in the various allocations that have been made to ensure that the various initiatives and programmes under the GTP, a brainchild of Prime Minister Datuk Seri Najib Razak, are implemented successfully. The six National Key Results Areas (NKRAs) will be the framework for this endeavour.

Two of Budget 2011 key strategies – intensifying human capital development and enhancing the quality of life of the Rakyat – are directly connected to the various initiatives of the NKRAs.

Among them: in line with the objective of the NKRA to improve student outcomes, the Ministry of Education has been allocated a sum of RM6.4 billion for development expenditure to build and upgrade schools, hostels, facilities and equipment, as well as uphold the status of the teaching profession. A total of RM213 million has also been allocated to reward high-performance schools as well as for the remuneration of principals, head teachers and excellent teachers. The national education system will be revamped to focus on thinking skills, character building, creativity, innovation and competitiveness.

To ensure that this happens, human capital development must begin as early as possible – from childhood – hence, the emphasis on pre-school education in the GTP. And to achieve this, the government will attempt to increase pre-school enrolment rate to a targeted 72 percent by end-2011 through an additional 1,700 classes, strengthen the curriculum as well as appoint 800 pre-school graduate teachers.

The government has also allocated RM111 million for PERMATA programmes, including the constructions of the second phase of *Sekolah PERMATA Pintar* School Complex, 32 PERMATA Children Centres (PAPN) and financing the operations of 52 completed PAPNs as well as continuing PERMATA *Pintar*, *Seni*, *Insan* and *Remaja* Programmes. The government will also provide and rebrand 40 1Malaysia TASKA, managed by the Department of Social Welfare to assist women to obtain quality childcare and early childhood education for their children.

Budget 2011 has also allocated RM250 million for development expenditure to religious schools, Chinese-type schools, Tamil national schools, missionary schools and government-assisted schools nationwide. And to provide competent and quality teachers and instructors to better guide and educate students, the government has allocated RM576 million in the form of scholarships for those wishing to further their studies.

A sum of RM213 million has been apportioned to enhance the proficiency in Bahasa Malaysia, strengthen the English language as well as streamline the Standard Curriculum for

Primary Schools (KSSR). In this regard, the government will recruit 375 native-speaking teachers including from Britain and Australia to further enhance the teaching of English.

Another NKRA, the initiative to elevate the livelihood of low-income households under the GTP, also received significant attention in Budget 2011. The government, concerned with the hardship faced by the less fortunate, has allocated RM1.2 billion to the Ministry of Women, Family and Community Development in 2011 to carry out various welfare and community programmes. For example: the children's assistance programme with an allocation of RM121 million to enable at least 97,000 children to receive quality childcare and early education and the construction of an intervention centre by providing employment opportunities, housing facilities and counselling for the homeless.

The significant allocation for this NKRA in Budget 2011 is a confirmation of the seriousness of the government in reducing hardcore poverty. To date, 22,753 families are no longer classified as hardcore poor. The statistics leading up to August this year revealed that the families were among 44,643 families earning a monthly income of below RM440 per month.

The Ministry of Women, Family and Community Development, will continue to advocate the 1Azam programme, which provides entrepreneurship training, micro loans and job skills training through this allocation.

The government will also continue with the rebate on electricity bill payment for monthly consumption of below RM20, which has benefited more than one million households nationwide, with an allocation of RM150 million to ease the burden of low-income households. Meanwhile, a sum of RM568 million has also been provided to build 300 units of house under *Projek Bantuan Perumahan Bandar*, 79,000 units under *Program Perumahan Rakyat* and 8,000 units under *Projek Bantuan Rumah Sewa*. And to assist estate workers to own houses, the government will provide *Skim Pembiayaan Perumahan Kos Rendah* with an allocation of RM50 million, managed by Bank Simpanan Nasional.

The socio-economic status of Orang Asli and Pribumi will also be enhanced with RM100 million allocated to implement various initiatives, including resolving Orang Asli land rights and border settlement issues as well as formulating a new development model for Orang Asli. In line with this Jabatan Hal Ehwal Orang Asli will be restructured and strengthened as Jabatan Kemajuan Orang Asli.

Also to ensure that the Rakyat has access to quality healthcare, a total of RM15.2 billion has been allocated to construct new hospitals, increase the number of doctors and nurses as well as to obtain supplies of medicines and equipment. Since 2009, 51 1Malaysia clinics are in operation and the government will provide an additional 25 1Malaysia clinics.

And even though approximately 60 percent of Malaysians now live in urban centres, the government will, through the Ministry of Rural and Regional Development, lead efforts to continuously bring development to the rural areas. Development projects and programmes to improve the quality of life of the rural population under the rural basic infrastructure NKRA were given priority. To this end, RM6.9 billion was allocated in Budget 2011 to implement basic infrastructure such as water and electricity supply as well as rural roads.

Of this sum, RM2.1 billion will be allocated to upgrade rural roads in Sabah and Sarawak, compared to RM696 million for Peninsular Malaysia. Another RM1.5 billion will be allocated to develop rural electricity and water supply in Sabah, with RM1.2 billion for Sarawak and RM556 million for Peninsular Malaysia. The government will also implement the housing assistance programme to provide comfortable houses for the poor and hardcore poor in rural areas with an allocation of RM300 million. This programme will involve the construction and repair of 12,000 houses nationwide, particularly in Sabah and Sarawak.

Public safety is critical in creating a safe socio-economic environment for business and commerce to thrive. In the first nine months of 2010, the street crime index has declined by 38 percent while the overall crime index declined by 16 percent. The government has allocated RM350 million in Budget 2011 to combat crime, including burglaries, motorcycle

and care thefts as well as promoting safe townships and Voluntary Patrol Scheme in high-risk areas. This is to ensure that the good work achieved to date under the NKRA to significantly reduce crime will continue to realise the targets it has set out to do. The government will also establish an additional 25 special courts to expedite prosecution.

The government would now be more focused on its areas for development using the GTP's NKRA as its target platform. It is clear that a strong socio-economic environment will form the foundation for a stronger and more sustainable economic growth for the nation and this is what the Prime Minister has intended it to be and what the GTP is all about – setting the stage for sustainable growth and equitable distribution of the nation's wealth.
