



12th Malaysia Plan: Indians Towards & Beyond 2025



A Proposal by the Indian Stakeholders for EPU



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From the Research Desk,



We are a group of concerned NGOs, Community Leaders, Academicians, Retired Civil Servants and Field Experts voluntarily wanting to assist EPU to identify areas of concerns for the Malaysian Indian community, with some proven suggestions and notable delivery mechanisms to be incorporated into the much anticipated upcoming RMK12.

Indian communities have been **TRAILING DANGEROUSLY BEHIND** the Bumiputras and Chinese in almost all aspects and sectors. We must stress the Indian community, especially the M40, B40 as well as Women and Youths, are notably the most vulnerable segments of the community that need immediate attention, and support without which they will not catch-up with the rest. Rigorous intervention Programmes, detail planning and initiatives are needed to avoid **SOCIAL UNREST** that would eventually affect unity, economy progress, political stability, and Malaysia's image, shared prosperity and national security, as a whole.

The Indian Blue Print 2016/7 developed under BN administration is a good piece of work since 1974 and should be a good guide for EPU to incorporate into RMK12. Affirmative action towards Indian and Bumi communities are inevitable. However, the effectiveness has always been questionable due to systemic failure, political meddling, lack of proper delivery systems and non-reactive monitoring mechanisms. Nonetheless, RMK12 must ensure the initiatives are properly

measured, monitored and closely guided.


We understand 12MP would cover 3 development dimensions:

- ✓ ECONOMIC EMPOWERMENT,
- ✓ ENVIRONMENTAL SUSTAINABILITY
- ✓ SOCIAL RE-ENGINEERING.

Economic empowerment entails the growth drivers and enablers, ecosystem and imperatives, while environmental sustainability, for the first time ever, significantly covers the environment in line with the United Nations' Sustainable Development Goals. At one glance it reminds us of NEP 2.0.

The socioeconomic conditions of the Indians and other minorities has been dramatically challenged due to the pandemic even though there been some proactive government intervention via PRIHATIN / PERMAI initiatives. However, it has yet to significantly improve nor impact society at large, particularly the B40 group. RMK12, without a doubt, must be an immediate term plan to save the **RAKYAT** and **ECONOMY**, with the government being the driver of growth.

Based on our collective engagements with thousands of stakeholders on the ground in the past years aided with statistical data and empirical evidences [such as the work of Dr. Muhamad from Research Institute of Khazanah (Economical Adviser@JPM) and IBP- Indian Blue Print)], we have put forward recommendations for communities (B40-M40-Women-Youths) who are in a dire need of support and opportunities in the following areas:

- ✓  Employment

- ✓ Quality Education
- ✓ Affordable Housing
- ✓ Cost of Living
- ✓ Small and Micro Business Opportunities
- ✓ Women Empowerment & Wage Equality

As the evidence shows, **ONE IN FOUR MALAYSIAN INDIAN YOUTH** are unemployed. With the unemployment rate skyrocketing, Indian women face work related discrimination with wages **25%** less than of her counterparts or males. With high unemployment rates shown by GINI Coefficient where wealth distribution among Indian is rather high compared to Malays and Chinese and has been widening since 2008.

Remarkably, only **9% OF THE MALAYSIAN INDIAN POPULATION POSSESS A DEGREE** and almost half of the Indian population only has SPM qualification. This directly impacts their standard of living and capacity to earn. This group is caught in the poverty trap and experiences the poorest living quality, as reflected in their health indexes; KPM's 2018 statistics indicates that **35% OF MALAYSIAN INDIANS ARE SUFFERING WITH DIABETES while 37% WITH HIGH BLOOD PRESSURE** and heart diseases. To complicate the matter further, the Indian community faces the highest suicide rates, and it is expected the number will further increase with the pandemic hitting this segment of community hard.

It is alarming that **one in two Malaysian Indians have no asset ownership** of any kind, let alone any form of savings. The bottom 40% of the Indian population makes up **18% of the "MISKIN TEGAR"**, which is almost three times the national population percentage. Other statistics include as follows:

- ✓ Increasing inequality since 2002 – compared to Malays and Chinese (decreasing since 2002).
- ✓ Lower income growth among the bottom 40%.
- ✓ 61% of Indians are still in low paying jobs.
- ✓ 95% of Indians are still in micro business with turnover less than RM300K.
- ✓ High unemployment among youths - one in four unemployed.
- ✓ Only 9% own a degree as opposed to the national average of 12%.
- ✓ 46% of Indian Households are in B40 category with cumulative income RM3000.00 or less.
- ✓ 89% of Indians are in urban areas with high cost of living, lack of housing and competitive employment market.
- ✓ Violent Crimes (17%), Gangsterism (71%) and Social problems including alcoholism, drug addiction and dropouts are really alarming at a rate almost five times the population of Indians in Malaysia.
- ✓ Growing sentiment and resentment of racial inequality disenfranchisement of citizens' rights is retro productive among Indians of M40-B40, Women and Youths.

If we were to learn anything from the previous Malaysia Plans, it has to be the **DELIVERY SYSTEM, MONITORING** and lack of wholesome approach. The focus groups are neither getting the help at the right time nor getting the right forms of support. The significant budget allocation and support have not been well distributed due to **SYSTEMATIC failure** and abuses. In addition, **INFORMATION DISSEMINATION** to the targeted groups remains the greatest challenge of all. It also entails that social Programmes must be designed to be effective. Design deficiency

contributes to the failure to uplift the individual despite the government spending huge amounts of money.

Nevertheless, this time around setting the system right should be a little easier as we already have various databases with somewhat verified data and target lists that can be used to deliver and identify the right target group. A targeted approach is needed.

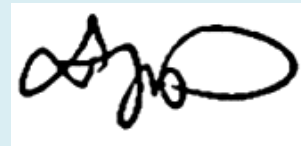
Another crucial issue that warrants serious attention is the cost of living. Work related discrimination is rampant. The supply of cheap foreign and illegal labor who work for low wages has had a significant negative impact on the local labor market. With 89% of Indians living in urban areas, the community is now facing a new form of poverty called **URBAN POVERTY**. They are the biggest group impacted with rising cost of housing, lack of basic amenities (internet), food, fuel and transportation. More alarming is the crime rate and gangsterism among Indian youths that is a direct consequence of poverty and due to the marginalization caused by existing policies and programmes.

MALAYSIAN INDIANS WILL CONTINUE TO REGRESS and become a huge liability for the nation's economic growth, racial equality, social engineering and shared prosperity, unless a deliberate, drastic and immediately policy, programmes, resources and political intervention materialises. We will not be surprised if there is an uprising of **HINDRAF 2.0**. We take this opportunity to **ALERT POLICY MAKERS AND THE**

GOVERNMENT, that it is imperative to have an effective and robust intervention Programme to address the issues faced by the marginalized poor Indian community. Even though it looks like a national issue across all communities, a one fit solution for all will not work and the minority dimensions taking into account the Indians should be employed. Aided with data, policy makers can make an informed decision to support this community.

With great humbleness, we have listed **EIGHT PILLARS OF TRANSFORMATION** for EPU to consider and absorb as much as possible into our **12MP 2021-2025** for the benefit of all. We want no one to be left behind. Inclusiveness is important - anak, Melayu, anak Cina, anak Iban, anak Kadazzan, anak Orang Asal or anak India – all must be treated equally.

Vetri Vel Muruganaku, Arogara!



Arun Dorasamy
Chairman, RMK12 Proposal Committee
Governor, KitaBantuKita.Org ,
Director, Hindu Service Centre



EXECUTIVE SUMMARY

EIGHT PILLARS of Transformation for Indian Communities based on EPU’s three areas of concentration for 12th Malaysia Plan which is:

- ✓ Economic Empowerment
- ✓ Environmental Sustainability
- ✓ Social Re-Engineering

PILLAR	12 TH MALAYSIA PLAN
(1) HUMAN CAPITAL DEVELOPMENT EDUCATION <ul style="list-style-type: none"> • Academic • Skill • Professional Certification • STEM Education • Religious 	Economic Empowerment & Social Re-Engineering
(2) SOCIAL RESTRUCTURING Transforming Community Value System & Stereotypes <ul style="list-style-type: none"> • Unemployment • Alcohol • Gangsterism • Dropouts • Stateless 	Social Engineering
(3) Corporate Participation & Asset Creation <ul style="list-style-type: none"> • Indian Investment Foundation • Home Ownership • Smart Agro Land Ownership Scheme • Investment Cooperatives • Smart Cooperative • Cooperative Bank 	Economic Empowerment

The Malaysian Indian community is **TRAILING DANGEROUSLY BEHIND** the Bumiputras and Chinese in almost all sectors. We must stress the Indian community, especially M40, B40, Women and Youths, are notably the affected segments of the community that need immediate attention, aid of some form. We need rigorous intervention programmes, detail planning and initiatives to avoid a **SOCIAL ARMAGEDDON** that will eventually affect the unity, FDI, political stability, image, shared prosperity and national security as a whole. It is important for 12th MP Team to study the **MALAYSIAN INDIAN BLUE PRINT 2017** and **PLAN TINDAKAN SEKOLAH TAMIL**.

It is alarming that *one in two Indians have no asset ownership* of any kind, let alone any form of savings. The bottom 40% of the Indian population makes up **18% of the “MISKIN TEGAR”**. This is almost three times the national population percentage. We have strong reasons to believe there are considerable numbers of the Indian community who have totally slipped off the system and are non-existent in any policy or programmes. There was a master study that noted about 250,000 Indians are totally absent from any banking, KWSP, SOCSO, and license data base. This number is really worrying for a population of only 2.2 million. Our collective engagements with thousands of stakeholders on the ground in past years as well as statistical and social evidence suggest, [as Dr. Muhamad from Research Institute of Khazanah (Economical Adviser@ JPM) and IBP- Indian Blue Print)] has put forward, the society (B40-M40- Women-Youths) is in dire need of opportunities in the following areas:

<p>(4) Entrepreneurship & Economic Empowerment</p> <ul style="list-style-type: none"> • Improving Micro Business System • Micro Business Information Centre • Franchise Business • Technological Incentives • Graduate Business Community 	<p>Social Re-Engineering & Economic Empowerment</p>
<p>(5) Delivery & Monitoring System</p>	<p>MITRA</p>
<p>(6) Digital Economy IR4.0 & Accessibility - Capacity Building</p> <ul style="list-style-type: none"> • Equity Market • Vendor Development Programme • Capacity Building in Traditional, Construction Cultural, Indian Art Business • Development of Indian in Lacking Sectors • E Commerce for Women & Single Mothers 	<p>Social Re-Engineering & Economic Empowerment</p>
<p>(7) Cost of Living</p> <ul style="list-style-type: none"> • Cash Handouts/Micro Grants • Education Facilitation • HealthCare • One Household One Programme Social Upliftment 	<p>Social Re-Engineering & Economic Empowerment</p>
<p>(8) Institutional Reform</p> <ul style="list-style-type: none"> • MITRA • KWSP-EPF • UNITY MINISTRY • EMPLOYEMENT LAW REFORM 	

- ✓ Employment
- ✓ Quality Education
- ✓ Affordable Housing
- ✓ Cost of Living
- ✓ Small and Micro Business Opportunities
- ✓ Women Empowerment & Wage Equality

As the evidence shows, **ONE IN FOUR INDIAN YOUTHS** are unemployed. With the unemployment rate skyrocketing, Indian women also face wage discrimination, earning **25%** less than their counterparts or males. Due to high unemployment the GINI Coefficient shows that since 2008 wealth distribution among Indians is rather high compared to Malays and Chinese, and the gap is widening. Strikingly, only **9% OF THE INDIAN POPULATION POSSESSES A DEGREE** and almost half of the Indian population only holds SPM qualifications. This directly impacts their standard of living and capacity to earn. This group has the poorest living quality and it is reflected in their health index.

We humbly request EPU to consider a drastic intervention in our 12th MP as the unattended Indian community will eventually turn into a national security risk and social instability. Thank you.

THE MALAYSIAN INDIANS



PILLAR 1

HUMAN CAPITAL DEVELOPMENT

Education

- ✓ Academic Education
- ✓ TVET - Skill
- ✓ Professional Certification
- ✓ Religious & Values Education





Human capital development (HCD) requires skill development as well as building the social aspects of human capital that entails tackling alcohol, drugs, negative mindsets, dropouts, and gangsterism issues that are as rampant as stage three cancer among Indian youths and households. Currently, based on statistics, these two issues prevail where unemployment (including employment in high skilled jobs) and social issues have deterred the human capital development among Indians.

IB40 CHILDREN & YOUTH: KEY DATA & STATISTICS: *extracted from MIBP 2017*

- ✓ *In 2015, the percentage of Indian students who passed all subjects in the UPSR examinations stood at 54%, lower than the national average of 66%.*
- ✓ *In the same year, the percentage of Indian students who passed all subjects in the **SPM EXAMINATIONS** was **44%**, lower than the national average of **55%**.*

- ✓ *Among children who dropped out of primary school, around 13% are Indians - a disproportionately high percentage given that Indian children comprise 6% of all primary school students. (2x times higher than the national average)*
- ✓ *The situation is slightly better at the secondary school level where Indian youths comprised 8% of total dropout cases in 2014.*

EARLY EDUCATION: KEY DATA & STATISTICS

- ✓ *An estimated 55% of Indian children aged 5-6 attend preschool, a significant gap relative to the 100% early education enrolment goal stated in the MEB.*
- ✓ *An estimated of only 10% of Indian preschool-aged children attend MOE-run preschools.*
- ✓ *Indian children make up only 3% of the total enrolment in MOE-run preschools while 5% are Chinese and 92% are Bumiputera.*

TAMIL PRIMARY SCHOOLS (SJKTs): KEY DATA & STATISTICS

- ✓ *As of 2014, there are a total of 155 fully government-aided SJKTs and 368 partially government-aided SJKTs.*
- ✓ *Over 70% of the schools are in rural areas.*
- ✓ *In 2015, an estimated 55% of primary school-going Indian children (85,473 students) went to SJKTs compared to 47% in 2000.*
- ✓ *In 2015 only 47% of SJKT students passed all subjects in the UPSR examinations compared to the national average of 66%.*
- ✓ *Approximately 343 schools have been upgraded since 2009. However, an estimated 140 more are still in poor condition.*

Less than 40% of SJKTs have computer labs, which are needed for full implementation of the national curriculum.

PRIMARY & SECONDARY NATIONAL SCHOOLS: KEY DATA & STATISTICS:

- ✓ *An estimated 38% of Indian primary-school-going aged children are enrolled in national primary schools while approximately 80% of Indian secondary-school-going aged youth are enrolled in national secondary schools.*
- ✓ *Only 44% of Indian students passed all subjects in the SPM examinations compared to the national average of 55%.*
- ✓ *In 2011, only 5% of teachers in national schools were Indians, while 81% were Bumiputera and 14% were Chinese.*

AT-RISK CHILDREN & YOUTH: KEY DATA & STATISTICS:

- ✓ *Between 2012 and 2013, the Home Ministry indicated that the number of students involved in violent crimes had risen nearly 50%.*
- ✓ *In 2014, of all Indian arrested, 10% are aged 7-18 years of age.*
- ✓ *In 2014, 31% of arrests for violent crimes were Indians.*
- ✓ *Of those who are held in prison, Indian youth prisoners account 17%. Furthermore, it is estimated that about 70% of gang members in the country are Indians.*

EMPLOYMENT: KEY DATA & STATISTICS:

- ✓ *In 2015, there were 868,800 working Indians, of which 22.1% worked in manufacturing, 15.1% in wholesale and retail, and 10.9% in transportation.*
- ✓ *More than 50% of Indians are employed in low-income jobs such as service and sales workers (17.4%); plant and machine operators and assemblers (22.4%); and elementary staff (10.7%).*
- ✓ *Based on a 2010 survey of urban poor Indians, 32% of the urban poor Indian workforce had only up to higher secondary level education, 41% had only up to lower secondary level education, 11% had only up to primary level education and 5% had no formal education.*
- ✓ *In 2015, the average Indian unemployment rate was 4.3% compared to the average national unemployment rate of 3.3%, the Bumiputera unemployment rate of 3.6% and the Chinese unemployment rate of 2.3%.*



MP12 OVERALL STRATEGIES MUST FOCUS ON:

- **REDUCING DROPOUTS** especially in Primary Schools
- Increasing **DEGREE HOLDERS** to be in line with national 13% average
- **REDUCING DROPOUT** from SPM to 20% by 2025
- Increase development of the **High Paying Skill Job Training**
 - **REDUCING UNEMPLOYMENT** among youth & Increase employability
 - **Providing 100% Pre School** Education and enroll more SJKTs Pre School Programmes and STEM Programmes.
 - **DECREASING EMPLOYMENT DISCRIMINATION** in public and private sectors by **OUTLAWING** Employment Discrimination
 - **SJKT** must go through a **SERIOUS RELOCATION PLAN OF SJKT** and PTST – Plan Tindakan Sekolah Tamil must be implemented.

1.1 EDUCATION

- 1.1 *Academic*
- 1.2 *TVET SKILL*
- 1.3 *Professional Certification*
- 1.4 *Religious & Values*

ACADEMIC

1.1.1 Increase Intake in SBP Asrama Schools by 1500 Annually during RMK12

Rationale: According to research evidence, it has become apparent that the requirement for entry into “Sekolah Berasrama Penuh” or Boarding School after UPSR is that the student must be from Sekolah Kebangsaan. Given that large number of Indian students comes from SJK Schools, there is a clear disadvantage for the Indians. To date, there is about 69 SBP (Sekolah Berasrama Penuh) in Malaysia. Yet it is incomplete breach of the “**FALSAFAH PENDIDIKAN NEGARA**” which preaches solidarity and equality in education for all. It is proposed that the requirement is dropped to work towards making a racial balance in those schools. The government should urgently work on the details so that Indians, especially among the bottom 40%, will enjoy equal education opportunities.

Proposal: Out of 69 SBP plus Schools, identify 15 SBP especially those located in **37 Districts** with higher Indian Malaysian population in the states of Johor, Selangor, Negeri Sembilan, Perak, and Kedah. **Increase intake by 100 Indian** students per SBP school (15): Sains – Teknik - etc. Bring about **QUOTA System** to SBP schools to manage the race imbalances in boarding schools. Allocate **10% FOR MALAYSIAN INDIANS**.



1.1.2 Maktab Wawasan 2030 Malaysia – Full Boarding Schools for Malaysian Indians and other Minorities who perform exceptionally well in UPSR/PT3. This was envisioned by the late Dato Haji Thasleem Mohd Ibrahim.

Rationale:

The Prime Minister has given the cabinet a green light, on 22nd Feb 2012, for the MRSM Modeled School for Malaysian Indian students.

Proposal:

- **COMPOSITION:** This school shall be fully funded by MOE with full boarding and sports facilities and state of the art infrastructure. 70% of the intake of the students are to be from Jenis Kebangsaan Tamil Schools and 15% Malaysian Indians from Sekolah Kebangsaan, while the balance 15% of the intake shall be open to others similarly qualified:
- **The SYLLABUS:** Cambridge Syllabus and English Medium – Modeled after MRSM, while the schools should be in any of the following states like Selangor, Negeri Sembilan, Perak, Johor or Penang.
- This Maktab can be kept under Ministry of Rural, Community & Women Development

The main objectives of this proposal are:

- To give special attention to those of outstanding merit who come from challenged socio-economic conditions and ecosystem

- To nurture a new “cream of the crop” students who can help the future generation with outstanding merit, leadership and positive attitude for Indian Transformation Programme - ITP

This project is long overdue (since 1974 – MIC Blueprint) as the outstanding students from Tamil schools do not get the attention, they need to complete their SPM with confidence. This is a proactive measure to reduce dropouts in Menengah Schools by Malaysian Indian students and to boost more qualified students to be able to realize their full potential in line with the **FALSAFAH PENDIDIKAN NEGARA**.

1.1.3 SPTM, MATRICULATION, IPTA & PTPTN

Rationale:

Education is the single most important tool for poverty eradication, political stability, unity, and economic development. It is also important to bridge the gap between the poor and the rich. Dr Muhammad, *Director Research Institute of Khazanah* pointed out that only 9% of Malaysian Indians are degree holders, with rest being below that. The alarming issue is that almost half of them are entering the job market with only SPM or lower qualifications. This clearly explains the incidence of high unemployment among Indians; with almost one in every four Malaysian Indian youths being unemployed.

Currently, the affirmative policies to meet the educational needs of the Malaysian Indians are inadequate. The Malaysian Indians recognize the importance of societal integration and the unity of the nation and nation building while simultaneously believing that this should be achieved without infringing the rights enshrined in the constitution and social rights. There is an urgent requirement for a shift in policy to encourage more Indians to hold a degree.

Proposal:

1.1.3.1 Quota System in IPTA must be re-instated 10% - The population of Malaysian Indian students that are backward in education unable to complete with the rest to gain places in IPTA For example: University Malaya used to educate about 10% (2000+) of Malaysian Indian students about 10 years ago. However, currently there is a drastic drop in intake to about 400 students in total.

1.1.3.2 STPM – We congratulate the move by **MOE July 2011** to introduce semester system. Evidence shows that higher percentage of Indian students opt for STPM given limited chances for them to secure matriculation. However, the current dual system of entry has many weaknesses. STPM students are of the opinion that they have been assessed differently and the chances of getting a place are limited. We recommend the following:

1. Introduction of **QUOTA System for STPM** – 25% to get enrolled in IPTAs. Out of the total STPM population, only 10% are Indians. However, evidence shows that Indians, especially among the bottom 40%, if not given the opportunity to pursue a degree, are at risk of being dropouts. They are unable to pursue their education any further. In RMK12, we ask MOE to offer more Malaysia Indian STPM students the opportunity to pursue degree to prevent them from becoming DROPOUTS.
2. **CONDITIONAL ENTRY REQUIREMENT of MQA:** Pre-University-STPM to be made 2 credits: Currently, students without credits in Bahasa Malaysia, Science or English are required to sit for July /December paper to earn credits before Pre-University Certificate can be released or University

Application can be processed: Basic – We are recommending Conditional Intake for those who have passed SPM with at least 2 credits. This move will ease the following issues:

- Reducing the **dropouts from SPM** – as one of the concerns in education Blue Print 2012
 - Reducing the financial burden of students and parents trying to seek private education.
- **Widening the scope of PTPTN to include studies abroad. Consider setting up Educational Bank or Transform PTPTN into Bank** for Students to enable them to seek loans to pursue studies locally and abroad. Currently, the PTPTN loans are only for those recognized local studies. However, in certain cases, especially in important critical areas of study, only overseas studies are available. The Government must identify fields of studies and types of schools for candidates to be eligible for study loans. Example of field of study include Green Technology, Indian Culinary arts, Cyber Security, Big Data, Manufacturing Technology, Aerospace, cultural, acting, traditional, religious, music and others. The loan repayments can be like that of commercial banks which is always difficult to obtain. Loan from the government or suitably appointed Government body can be guaranteed by parents with a mandatory requirement to return home or full payment failing which their passports could be revoked. Presently a wide field of studies are gaining popularity among Malaysian Indian Students, including Medical, Pilot, Accrual Science, Engineering, Cultural Degrees (Singing, Musical, Acting, Sculptures, Architect, Religious Teachers) Indian Culinary, Bridal, Jewelry Engineering/Art, Textile, even Hindu Priesthood.
- **QUOTA SYSTEM & MATRICULATION**

Matriculation has been a great tool for affirmative action, using education to tackle the poverty and inequality problem for Malaysian Indians. We propose annual 2,250 students' intake or 10%, whichever is higher, during RMK12 as a catalyst to reform among the bottom 40%.

- **PTPTN** to Offer **Financial Assistance for FOUNDATION** Programmes - Many Indians stop at only diploma studies due to financial reasons. For them to pursue a degree, foundation studies are a must. Therefore, financial assistance should include foundation studies so that Indians can pursue their degree education in private institutions.

1.2 TVET SKILL EDUCATION

The Gini coefficient among Indians shows a worrying trend. To reverse the adverse effect on the income distribution, SKILL education for the dropouts or underachievers is important.

1.2.1 Scheme MyDKM (Diploma Kemahiran Malaysia) Graduate - In which the private sector and JPK to jointly offer high paying skills training and greater push towards completion of level 4 certification. The high paying job includes sectors such as: *Oil & Gas, Marine, Ports Technician, Crane Technician Graphic Designers, Multimedia Tech, Website Designs, Smart Phone Repair, Aircraft Tech, Automation Tech, Property Sales, Insurance Sales, etc.*

Participating colleges should be given the KPI to fulfill level 4 since they can be paid through TPK (Tabung Pembangunan Kemahiran). These programmes should be extended to include adult students (up to 40 years old) on a part-time basis and with monthly allowances.

8. Cisco Certified Network Associate (CCNA)



1.3 Professional Certification

Professional Certification is the best way of preparing our graduates and non-graduates to be marketable based on the market trend. Google predicts the requirement for formal degrees will be reduced in coming decades as employers will be asking or looking for specific skills or talent that can be acquired via specialty certification. We should provide resources for graduates or non-graduates to pursue professional certification. We propose the 12MP should provide resources or plans to train and place 15,000 graduates and 5,000 non-graduates as part of 4iR or the Digital Economy. This is also inclusive of Marketing, Accounting, and other Professional Certifications such as the following IT certifications:

1. AWS Certified Solutions Architect – Professional
1. Certified Cloud Security Professional (CCSP)
2. Certified Data Privacy Solutions Engineer (CDPSE)
3. Certified Data Professional (CDP)
4. Certified Ethical Hacker (CEH)
5. Certified Information Security manager (CISM)
6. Certified Information Systems Security Professional (CISSP)
7. Cisco Certified Inter-Network Expert (CCIE)
9. Cisco Certified Professional Network Professional (CCNP)

10. Microsoft Certified Azure Solutions Architect
11. Microsoft Certified Solutions Associate (MCSA)
12. Oracle Certified MySQL Database Administrator (CMDDBA)
13. Project Management Professional (PMP)
14. Salesforce Certified Development Lifecycle and Deployment Designer



1.4 STEM EDUCATION

In line with the government’s aspiration for STEM education (increasing the STEM education), Indian enrolment in STEM is critical at HLI. Indeed, women participation in STEM education is critical in reducing gender disparity in STEM education. Likewise, rural-urban divide in STEM education among the Indians should be reduced.

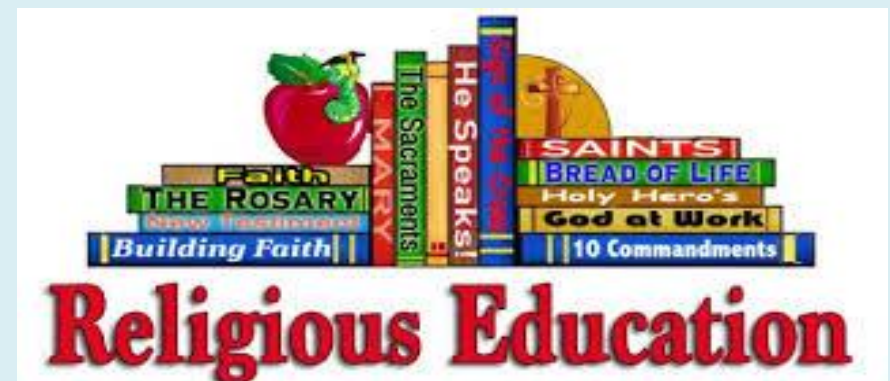
1.5 RELIGIOUS-VALUE EDUCATION

Youth Organisations should be provided with adequate annual funding, particularly to the Indian Youth NGOs. Currently, the allocation comes from **MBM** (Majlis Belia Malaysia) and it is very limited for the NGOs to conduct effective programmes. The allocation is difficult to obtain by many Indian Youth based NGOs. Since these programmes are an integral part of Youth development in Malaysia, it is recommended that more allocation be allocated to register NGOs for their various approved programmes. This should be done at national, state and district levels. programmes related to Education, Culture, Sport, Alcohol, eradication of Gangsterism, Violence

Crime and School Dropout eradication should be emphasized since these are the striking issues among Indian youths in Malaysia.

The government should set KPIs to monitor these NGOs. We therefore urge their funding to be increased to assist government in curbing crime, dropouts, gangsterism, and alcoholism. For an immediate purpose, the Hindu Youth Organization (HYO), Malaysia Hindu Sangam Youth (MHS), Malaysian Indian Youth Council (MIYC) and Kelab Bell Belia Tamil (KBBT) which have more than 200 branches nationwide can be chosen as ambassadors to bring about change in youth outreach. Funding can also go to religious organizations that have proven track record for facilitating and encouraging proper and good social conduct and decorum. Along these lines, sport related NGOs can also be considered. Indeed, targeting more Indian youth to engage in sports will help reduce social issues among Indians.

MITRA should work along this line to effectively plug into the MP12 to synergize the funding, effectiveness of programmes and KPIs.



PILLAR 2

SOCIAL RECONSTRUCTION

Social & Human Capital Challenges

- ✓ Unemployment
- ✓ Transforming Community's Value System & Stereotype
- ✓ Alcohol
- ✓ Gangsterism
- ✓ Dropouts
- ✓ Stateless



2.1 HUMAN CAPITAL CHALLENGES



2.1 Unemployment

A presentation by Dr Muhammad of Khazanah Research Institute pointed out that **one in four** Indian Youths (aged 19 to 29) is unemployed. To make matters worse, a study by Dr. Muhammad indicates that there is high discrimination when it comes to job recruitment. Even the study indicates that Indians are at a disadvantage. The 11th Malaysian Plan (RMK 11) must explicitly and vigorously tackle this issue given that it may suggest that youths are in other informal sectors – the illegal sectors. As the IGP has pointed out, Indians make up 71% of illegal gang members in the country. It must be noted that Indian Youths are the easy prey for illegal or odd work force like Tugs, Hitman, “Illegal Tarik Kereta”, “Besi Buruk”, Illegal Debt Collectors, “Drug Pushers” etc. **DHRRA** estimated that more than **100,000 youth** are feared to be involved in the illegal work force that gives them lucrative and quick tax-free income. With only SPM or lower qualifications, most of them are forced to turn to illegal activities to earn an income. RMK12 must include a sustainable and effective programme to tackle this issue before it gets out of hand and costs the country and society billions in lost productivity, rehabilitation and other preventive measures.

REPRESENTATION IN PUBLIC LIFE (CIVIL SERVICE RECRUITMENT: KEY DATA & STATISTICS:

The following is proposed to mitigate the issue:

1. Introduce **Mandatory Employment Policy of 5%** with GLCs, Public Listed Companies and MNCs: This is similar to what we have imposed for 30% Bumiputera employment requirement.
1. **Tax Incentive for Service & Manufacturing** sectors for employing underprivileged groups regardless of race. Such incentive will motivate industry to hire more Indian Youths given that Indian community concentration among the underprivileged is sizeable. This incentive will moot at least 25,000 to 50,000 Indian Youths into work force in five years’ time. MOHR can lead this programme thru **JOB MALAYSIA** initiatives.
2. Intensifying recruitment of Indian Malaysian into **High SKILL Paying Job Training** through MOHR- SLDN (Sistem Latihan Dual National). Example Underwater Welding, Oil & Gas, Heavy Machinery Skills, etc.
3. Formulate Policies to attract more Malaysian Indian Youths into Agro Business – Vegetables, Fruits, and Alternative to Lamb/Goat – Ostrich, Chicken, Eggs, Goat, Cattles, etc. Special Allocation Loan for Indian Youth to train **5,000 “Agro-penuer” in five years** through Ministry of Agricultural: 500Mil Loan through Agro-Bank with **“LAND LEASING SCHEME” for Tech Agro.**
4. **TRAIN & PLACE:** MOHR introduced this programme in 2008/2010, which seems to be effective. This programme can

be mobilized through MOHR to Train and Place Indians at a rate of 1,000/Year for five years through 250 Training Providers nationwide.

5. **Increase women participation in labor force** - Evidence shows that social return on investment on women is much higher. Malaysian Indian women should be empowered to bring the family out of poverty as well as to reduce social issues.

2.2 Transforming Community's Value System & Stereotypes

No ethnic group is spared from racial stereotypes and generalisations, both negative and positive. While stereotypes are often used jokingly, nonetheless it can be internalised and taken as truth by those within and outside the ethnic group. When negative stereotypes are believed by people of the ethnic group in question, it can diminish self-esteem and lead to experiences of **'STEREOTYPE THREAT'**, resulting in performance in education and other endeavors being undermined. When negative stereotypes are believed by people outside the ethnic group, particularly those who have limited contact with other ethnic groups, discrimination can occur. This is so apparent in recent days with issues related to rental, employment, loan facilities and etc.

Negative stereotyping would disproportionately affect lower income segments within the Malaysian Indian community as they would not have the compensating impact afforded by class. To enable these segments to progress there is a strong need to break away from negative stereotypes and to take on a more empowering community narrative.

Key Issues & Current Interventions

Negative stereotyping of the Malaysian Indian community can relate to physical attributes such as skin color, cultural and religious practices as well as social factors such as alcoholism, violence and involvement in crime, drugs and gangs.

There have been cases of racial slurs against Indians made by authoritative figures, though such cases are generally met with public disapproval [1]. More seriously, negative stereotypes can lead to unfair treatment such as job discrimination. There are also media-reported cases of Indians being rejected as tenants by non-Indian landlords. At the extreme, negative stereotypes coupled with lack of cultural understanding can also fuel inter-ethnic clashes, as evidenced by ethnic clashes in the past [2].

To date, the bulk of efforts to highlight positive examples and change the narrative of the Malaysian Indian community has been limited to the community itself. A concerted effort needs to be made to take this conversation to the national level.

Moving Forward: MIB Recommendations & Initiatives

The Blueprint targets to improve perceptions of the Malaysian Indian community by those within and outside the community. [3]

To deliver on this target, this Blueprint aims to affect the following:

Establish A 'Community Pride' Campaign

This campaign aims to create national level awareness of Malaysian Indian achievement stories across different sectors, working hand in hand with other Malaysian ethnicities, by promoting outstanding individuals and teams, such as writers, educators, entrepreneurs, scientists, philanthropists, sports personalities, artists and young

achievers. Sports would provide recognition to the community in a tangible way, especially amongst the youth. As part of this campaign, the MIB (Malaysian Indian Blueprint) will work with ministries, agencies, NGOs and corporate partners to enhance Malaysian Indian participation in the sports arena.

Voices on Malaysian Indian achievement and contribution to the fabric of Malaysian society should come from all races to underscore the spirit of true integration. Stories of IB40 achievements will also be highlighted to break stereotypes associated with both ethnicity and class.

This public awareness campaign also seeks to create desire for change within the Malaysian Indian community in general, and troubled families, to counter community stereotypes related to 'normalised' dysfunctions such as alcohol overconsumption and violence. This campaign will be accompanied by an information and referral service to support families that come forward with questions or requests for assistance.

[1] "Malaysia: Indians demand apology in racial slur case" (2008, August 6) News18.com. Accessed at: <http://www.news18.com/news/india/malaysia-indians-demand-apology-in-racial-slur-case-294267.html>

[2] In March 2001, a violent clash between Malay and Indian groups was triggered in Kampung Medan, Petaling Jaya, by an argument over road access for an Indian funeral possession and a Malay wedding party. The violence spread over 3 weeks to the surrounding areas, resulting in 6 deaths and over a hundred people wounded. Source: media reports.

[3] Measurement to be developed, and baseline measured, in 2017.

2.3 ALCOHOL

The Government has to recognise that alcohol consumption is a growing problem among youths especially among Malaysian Indian

youths. It is also the single biggest problem that leads to educational problems, health problems, mental, financial, crime and gangsterism.

We need an URGENT and immediate fix. **ASAPCOM** or *Alcohol Substance Abuse Prevention, Control, and Rehab Council of Malaysia* was formed to address the issue. The Malaysia Hindu Sangam with a coalition of NGOs initiated the effort to check this scourge, but with the lack of enforcement by the authorities, all efforts do not bring any positive change needed to build the human capital of the Indians. The following proposal would mitigate the issues.



1. **Banning of Public Space Drinking: National BAN**
2. Setting up of a **Malaysia Alcohol Research and Rehabilitation Centre**
3. **Legislate Under Aged Alcoholism** and make it an arrestable offence for **Minors** to Consume Alcohol
4. **Restricted Alcohol Retail** whereby all Alcohol Retailing should be confined to Liquor Shops with controlled business hours
5. **Liquor Licensing** at all eateries that dispense alcohol of any type inclusive of cocktail and beer.

6. **Banning of Alcohol Advertisements – Glorification** in all mainstream Media - Electronic, Alternative and Printing Media completely. Including in Movies and Songs.
7. **Mandatory Jail Terms** for Alcohol Smuggling, illegal trade and Law Breakers.
8. **Banning the Manufacturing**, trading and retailing of local illegal brands such as Samsu and Toddy.
9. **Taxation System** based on Alcohol content which will simultaneously increase government's tax revenue by another RM200Mil - Tier System.
10. **Alcohol & Drug Test in Colleges/University** - IPT & College/University administration to do random alcohol and drug test in campus. Alcohol and drug are rampant in colleges especially in private colleges. Random tests need to be carried out particularly on Mondays. ICE, weed and many other enhancer drug pills/substances used in colleges/universities for various reasons and excuses must be eliminated. The **University, Police and Ministry of Higher Education** must work in coordination.
11. **Anti-Alcohol Campaign** – Warnings about the health, emotional, financial and social effects of alcohol, **fight against alcohol lifestyle glorification**. LPF to act robustly on drunk cultures, songs or adverts.
12. **Establish –Alcohol Free Zones** - All the hot and residential areas, like Desa Mentari, Sentosa, Kampung Jawa, etc. to be declared alcohol free zones, where no alcohol is to be sold, and no liquor or entertainment licenses to be issued.

Some of these recommendations have been discussed by MOH in collaboration with Jabatan Kastam. However, it hasn't seen any significant progress yet since 2013. Nevertheless, decisive and inclusive policy and approach is needed to prevent Indian Youth's engagement in alcohol.

2.4 Gangsterism



REPRESENTATION IN PUBLIC LIFE (CRIME): KEY DATA & STATISTICS:

1. It has been reported that 70% of gangsters in Malaysia are of Indian ethnicity.
2. In 2014, according to PDRM, there were 6,658 cases of non-violent crimes and 7,746 violent crimes committed by Indians. This is proportionately high compared to the population.
3. Violent cases committed by Malays and Chinese were 12,666 and 2,774 respectively but were proportionate to the respective populations.

AT-RISK CHILDREN & YOUTH KEY DATA & STATISTICS:

1. Between 2012 and 2013, the Home Ministry indicated that the number of students involved in violent crimes had risen nearly 50%.
2. In 2014, of all Indian arrests, 10% are aged 7-18 years of age.
3. In 2014, 31% of arrests for violent crimes were Indians.
4. Of those who are held in prison, Indian youth prisoners account for 11%.

5. Furthermore, it is estimated that about 70% of gang members in the country are Indians.

The Government should have recognized the seriousness of gangsterism issue through OPPS CANTAS 2012, but it was seemingly a one off. The issue got out of control with rampant shootings, killings and open fighting between illegal groups. Evidence shows that most of the recruiting is done through the school system targeting youth as potential candidates for various reasons. There also also push factors that drives the youths to indulge in such activities. Unemployment is seen as one of the causes, but more importantly, peer group pressure seems to be more significant. It is important for the government to look into eliminating the recruitment of Indian youths into gangsterism and allow them to enter the labor force. The following proposal is important:

STRATEGY: STOP RECRUITMENT

The Government must allocate appropriate funding of up to RM10 Million annually for NGOs to be involved in preventive measures especially in curbing gangsterism in **37 districts** which comprise 90% of Malaysian Indian population. Activities include:

- Creating Awareness
- Identifying and reporting the recruitment of gangsterism
- Setting Police Presence in secondary schools in those areas
- Creating Hotlines and PDRM Contacts to report Gang activities
- Specific primary and secondary school programmes - The programme must be intensified in secondary schools with significant Indian population.
- Creating **RELA Peace Clubs** in Schools through MOE as part of their co-curriculum. The Police must hold more

talks in schools on the issue with students. Further, the schools need to work closely with the police.

STRATEGY: STOP ACTIVITIES

1. **Placement of AUXILIARY POLICE** in secondary schools with serious discipline issues could be a deterrent to curb discipline problems. Schools in many western countries have adopted this method widely and have been effective. Permanent Police Presence is important in crime prone schools or locations like Puchong, Sentul, etc. Zoom in on schools in the 37 districts with highest dropouts and discipline problems.
2. **YOUTH AMBASSADOR - HEYRAM** - National Service is known for its effectiveness in shifting the mindset of our youths as well as in creating patriotism. This is one of the avenues to curb gangsterism. The government should target and place all the Malaysian Indian students (as well as others) with disciplinary issues, dropouts and gangsterism problems into **Special NS Programmes within the national service system**. Indeed, government should also create an **additional 5,000 places** available for Malaysian Indian students spread over five years. The programme should be fine-tuned to fit the students with such characteristics. The same concept can be used for all races in the country.

2.4 Dropouts

The issue of dropouts has long been discussed, debated and contemplated. Unfortunately, not much action has been taken, or at least there is so significant improvement. The number of dropouts is becoming more alarming among Malaysian Indian youth. Some of the SJKT slow learners' and SK slow learners are the biggest causality of the system. Given that classes are ranked according to their academic performance, students are discriminated against and they develop an inferiority complex.

In this regard, PERALIHAN classes are labelled as dropout factories.

Proposal:

- Schools are not to be evaluated based on passing marks alone, but also on **DROPOUT RATES**.
- **Special Classes** to be instituted with Private Partnerships to aid slow learners.
- **NGO partnership - Special Programmes by MOE-EP-JPM** (similar to MySihat Programme by MOH) - **MyTutor: NGOs** should be given grants to organize and conduct free tuition classes for the bottom 40% which can be administered by the school itself. In the USA- No One Left Behind Policy works in a similar fashion.
- **Evaluate: Academic Achievement** by PT3- Equivalent level and channel them towards SKILL base training centres.
- Schools in those 37 highlighted districts which are highly populated by Indians could be focused for this purpose.

2.5 Stateless

CITIZENSHIP & DOCUMENTATION: KEY DATA & STATISTICS:

1. According to the Development of Human Resources for Rural Areas (DHRRRA) current estimates, approximately 12,300 Indians are stateless while another 13,000 Indians are facing documentation issues.
2. The high cost for a citizenship application is a problem. Up front there is an NRD database search which costs RM50, and eventually if a paternity test is necessary, an additional RM1, 500 is required. Late application fees applicable to successful applicants' range between RM100 and RM300.

3. NRD also experiences many uncollected approved citizenship certificates. The whereabouts of these successful applicants are not updated resulting in failure of collection.

Proposal:

- NRD to setup dedicated **SPECIAL COUNTER** in every state in which we have Tamil speaking officers to assist and get in touch with applicants.
- NRD to setup **MOBILE** Counters in rural areas to serve and to tackle non-documented local born kids.
- **DNA** test-based **CITIZENSHIPS** award to kids with mother or father being citizens.

What is statelessness?

“Stateless Person”: a person who is not considered as a national by any state under the operation of its law

Components:
is not national (any) state considered as... under the operation of its law

➤ Determination based on nationality law and practice

➤ UNHCR guidelines on definition issued 20 February 2012

Tanjung University Statelessness Programme

PILLAR 3: Corporate Participation & Asset Creation

- ✓ Indian Investment Foundation for the Bottom 40
- ✓ Home Ownership
- ✓ Smart Agro Land Ownership
- ✓ Smart Cooperative
- ✓ Cooperative Bank



Inclusiveness: Participation of Indians in the Economy

POVERTY ALLEVIATION: KEY DATA & STATISTICS:

1. 0.6% of Indian households, or around 3,500 Indian households, are defined as poor.
2. Over 80% of Indian households below the Poverty Line Index (PLI) - RM950 per month, are living and working in urban areas.
3. The line for the urban poor is slightly higher at RM 960, whereas the rural poor constitute those earning below RM910 a month.
4. Around 22,700 Indian households earn below RM1,000 per month.
5. 30,600 or 5% of the total number of Indian households are registered in the E-Kasih database, lower than the representative percentage of 7%.

Indians, the bottom 40%, are still trailing behind other races in terms of economic success and progress. To reduce the development gap between races in Malaysia, which is the fundamental element of racial unity and social justice, the government must actively address the economic imbalance issue faced by the Indian community. Government efforts since 2009 are commendable, but still insufficient to transform Indians at the bottom 40%.

Holistic planning with **political will**, direct delivery and **measurable monitoring system** are absent to date. However, **MITRA** needs to have a plan of transformation and should revisit the IBP-Indian Blue Print that was done in 2017. MITRA's role should not be just an administrative body, but rather a Planning, Executing and Monitoring

body of Indian Socio-Economic Transformation. Swift reform is needed as far as MITRA is concerned. The Government too should not outsource their responsibility by providing an allocation without strict KPIs and plans. Placement of MITRA under the Ministry of Unity is a bad move. It should instead be placed once again under JPM with direct supervision by a Minister of Special Affairs from the Indian community.

The May 13th 1969 and Nov 25th, 2007 were two big signs and reminders for the government about the serious consequences of economic imbalance. Consequently, just as May 13th created NEP, the Nov 25th and the "Tsunami 8" inspired the economic transformation and political balance. To achieve the Malaysian dream, the following recommendations are made to reduce the economic imbalance among the Indians.



3.1 INDIAN INVESTMENT FOUNDATION for the Bottom 40% through Public-Private Partnership

- Propose RM4bn in “**ASSET UNDER MANAGEMENT (AUM)**” in the form of equity and debt ventures
- The initial funding of the investment structure is proposed to be funded by the government in the form of Debt (Convertible Bonds) and over the period of 10 years the debt will be converted into equities (shares) that will be sold to the shareholders (in this case, the Malaysian Indian Community)

Investment scope:

- **Domestic and International Equity Market** – both “passive” and “active” investment styling depends on products and market demand.
- Investment literature expounded strong correlation between “**return on investment (ROI)**” and economic cycles. For example, real estate mostly to perform stronger during inflationary environment in contrast to bonds that perform during the disinflation/deflationary environment. Hence, to minimise risks and allow for flexibility in managing the “AUM”, we recommend the investment team to consider other asset classes to be included in the portfolio, i.e., government and corporate bonds, short-term money market bills and other legal derivatives.
- **Private equity and Venture Capital** are mainly aimed at promoting entrepreneurial culture and innovative ideas of Malaysians especially among Indian entrepreneurs. We propose an ownership sharing structure rather than buy-over to maintain entrepreneurial and innovative spirit in the firm. This allows the ownership to remain in the hands of Indian entrepreneurs while enabling them to progress in their

business and share the profit with others in the Indian community via the proposed investment structure.



3.2 HOME OWNERSHIP

HOUSING: KEY DATA & STATISTICS:

1. Only 56% of Indian households own their places of residence compared to 62% Bumiputra household and 61% Chinese households.
2. Amongst the B40, Indian ownership of property is the lowest, at 3%, compared to 7% Bumiputera and 12% Chinese.
3. One in two Indians have no owned assets to be the beneficiary of economy and asset appreciation market. To increase the participation of the bottom 40% the following is proposed:

- **Lease to Own:** Government should initiative the concept of lease to own housing programme that is practiced in the

United States of America. The programme should entail owners to lease the house (up to certain years) and consequently own the house after the maturity period. The current low ownership is due to inability of the bottom 40% in obtaining bank loans to buy houses. 12th Malaysia Plan should set aside at least 10,000 homes for this purpose for the Indian community. This programme can also be expanded to include other races. The groups that must be given priority:

Youth (Under 40 years old) Odd Jobs, Ex-Convicts, OKU, SPM or Dropouts, Illiterate and 18% Miskin Tegar Group, and Single Mothers.

3.3 SMART AGRO LAND OWNERSHIP SCHEME

The massive migration of Indians from estates to urban areas, due to rapid industrialization in search of better opportunities, without any industrial skills has been a catalyst for the urban poverty phenomenon in the past decade. Perhaps, now is the right time for the government to drive these groups into technological based farming sectors in the rural-urban fringe (outskirts) through land incentive initiatives. Agricultural activities like cattle farming, hydroponic farming, flower farms, white water fishery and many more lucrative areas could be some of the answers to address the Malaysian Indian urban poverty phenomenon.

The scheme will work almost like **FELDA**, but the scheme must be spelt out more clearly and carefully to attract Indians through owning or leasing land for smart agro activities. Capital and technological assistance should also be given. Based on statistics *about 1 Million (plus) acres of land have been given out to 118K Settlers from 1956 to 1990; yet Indians only obtained 1.83K or approximately 1.5% of the total amount. If 8% of the total land (and nothing more) were distributed to rightful claimants amongst the Indians that would have*

constituted over 70,000 acres of freehold plantation land schemes. This would have benefited over 7,000 Indian households.

The Urban Poverty Phenomenon warrants immediate attention. Similar to FELDA Scheme the displaced household from estates may benefit from the programme.

3.4. INVESTMENT COOPERATIVE

FUNDING viable cooperatives with funds, logistics, support, opportunities and monitoring system will create trickling and spillover effects towards the bottom 40%. Usually the membership is affordable, and this is more accessible than other tools or infrastructure. Soft Loan Funding to Cooperatives with RM1Mil to RM10Mil to add land, property, assets or equity ownership. These cooperatives must qualify as follows:

- At least **1,000 members** with at share price RM100/person or less
- At least 40% of their memberships are from bottom 40% target group.
- 50% of the members must be from among the YOUTH
- Active and have good track record.
- Successfully in paying good dividend for past three years
- Have collectively at least RM500,000 in assets or revolving fund to manage or more than one cooperative can pool their resources and seek for the funds.

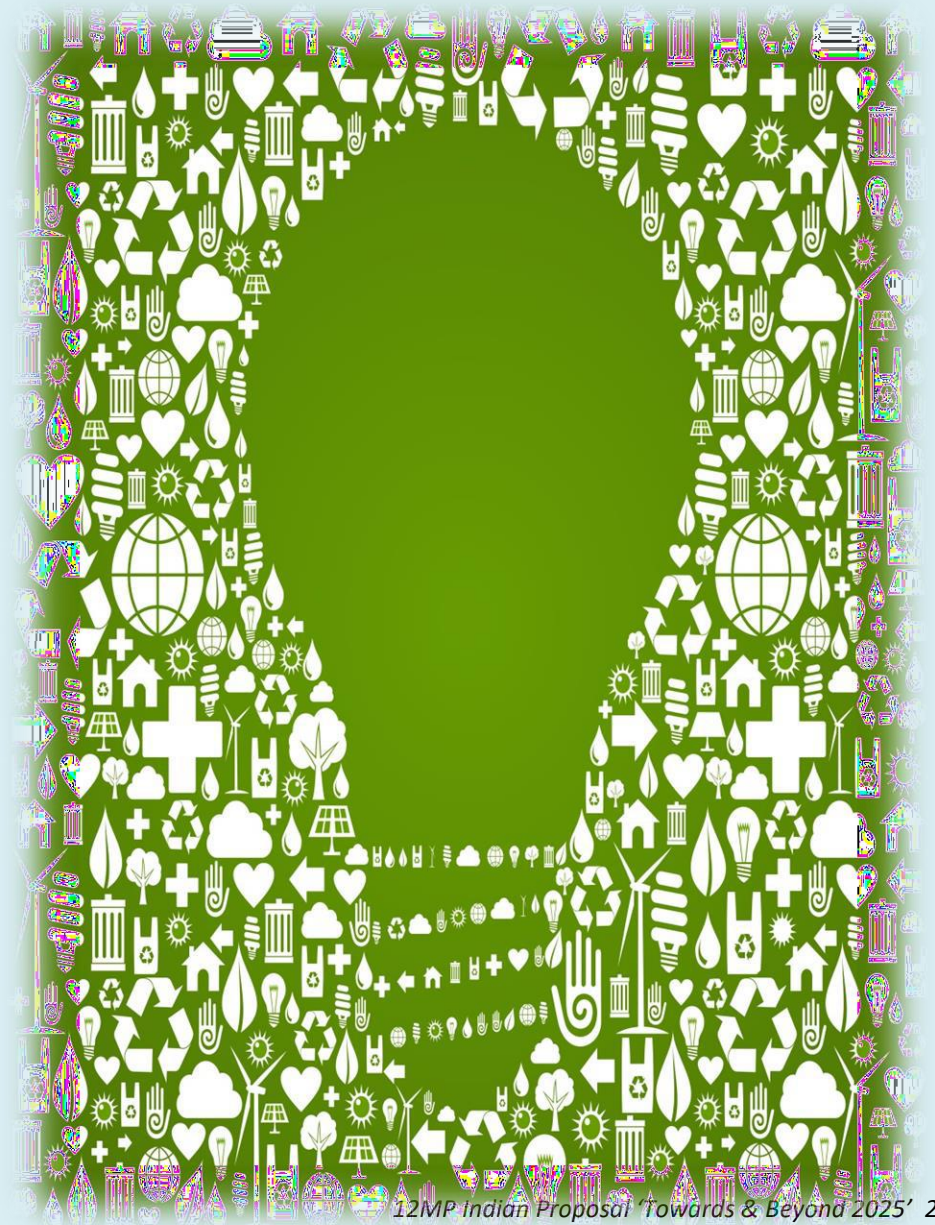
3.5. CONSORTIUM OF COOPERATIVES

We have sizeable Indian cooperatives that can be set up as a consortium to create a **COOPERATIVE BANK** which will take the burden off the government to push the social and development agenda of the Malaysian Indian community.

PILLAR 4:

Entrepreneurship & Economic Empowerment

- ✓ Entrepreneur – Micro
- ✓ Women Participation
- ✓ Graduate Initiatives



Entrepreneurship

ENTREPRENEURSHIP: KEY DATA & STATISTICS:

- It is estimated that 14.3% Indians are entrepreneurs compared to 22.4% of Bumiputera and 23.2% of Chinese. In the years 2005 to 2013, there were 38,138 active Indian companies of which 91% were micro businesses. Indian ownership of shares has hovered around 1.5%-1.6% over the past decade, lagging behind other ethnic groups by a big margin. (Labor Force Survey Report, 2014 Ibid Malaysian Indian Economic Development Report for RMK-11 by SEED Steering Committee)
- Although the Malaysian Indian micro businesses contribute to the economy at large, these businesses still face significant challenges. These challenges are faced at every stage of the business process, ranging from getting the premises, application for licenses and permits, startup capital, loan for operation, even in areas such as knowledge and know-how. Previous solution that was made available include TEKUN (Tabung Keusahawanan National) - Through SPUMI.

4.1. Improving the Current Micro Business System

i. TEKUN for WOMEN

Women often get sidelined when comes to loan infrastructure. Allocate 50% of the TEKUN allocation for Women Entrepreneurs.

ii. Loan Criteria

The requirements for the loan to be relaxed and there must be an introduction of more innovative payback schemes, if necessary. MARA Scheme could be used as model.

In this respect, perhaps we should emulate the proposed micro schemes of Nobel laureate, Dr. Mohd Yunus of Bangladesh who proposed that “more importantly, priority should be given for loans to business women”.

The current systems need to be revised especially in terms of information, processing time, and methods of application. Micro business loans should include home based businesses, for example: Garland/Flower Service, Baby Sitting, Handicraft, Tailoring, Snack Food, Bridal Services, Jewelry Repair & Crafts, Mobile Hair Stylists, Home SPA, Morning Market, Home Tuition, cleaning Maid Services, etc.

4.2 Indian Micro Business Training: Capacity Building

An allocation of **RM50 Million per year set aside** for training the owners of micro business. Blanket requirement for loan to go through - a week PAID training especially of those of Micro and Small Businessmen/Women. Training and loans should come hand in hand, so that relevant and potential micro business can be selected. Upon successful completion of the training, the owners could assess loan schemes. This will ensure business sustainability as well as better loan recovery.

The training should include issues on business law and legislation, company setup processes, banking requirements, labour law, taxation, management, marketing, purchasing, customer relations, customer services and other areas as suitable for the specific businesses in its operations of micro businesses.

This training needs to be continuous and can be conducted on a part-time basis, as night classes or weekend classes. The training may be delivered through MITRA, NGOs, INSKEN – **Institute**

Keusahawanan Negara. It is recommended that the Training must be conducted in Tamil and Malay.

4.3 Micro Business Information Dissemination Centre

Training NGO to do the work:

We must adapt the USA concept of SBA – Small Business Administration system - where the government provides infrastructure for Micro/Small Business to use. Such a service may include printing services, conference and seminar rooms and providing avenues for volunteers or NGOs to use, to coach or disseminate information to the public. MITRA idea could very well serve as SBA. MITRA needs to expand its objectives and role from just a credit facilitator. At the least, MITRA needs to expand to all districts to reach the target group effectively and directly.

Due to the lack of effective information dissemination, society at large feels that their interest has been left out in the process of mega brand development. Centres to disseminate information regarding loan facilities and other opportunities provided by the government should be intensified.

A one stop centre to facilitate this process is required at strategic locations so that the facilities and information can reach the Indian society at large. **SME Corp** is still unreachable for many. In addition, temples and Indian NGOs should be roped in to tap and push information closer to the target groups. The SBA (Small Business Administration) in USA consists of businessmen or retired staffs.

4.4 Franchise Business

There is an urgent need to expand the franchise business schemes to Malaysian Indians. A realistic target is to create 50

Malaysian Indian Franchise Businesses in a year with 100 Local Indian Business Franchises in the next five years. Currently, PNB through PNS has been working on a similar concept. It is recommended that the Franchise Programmes which are currently allocated only for **Bumiputra** be opened for Malaysian Indians as well. Since the Indian community are involved in different types of business, the expansion of franchise concept to Indian businesses generally will create more spillover effect for the economy. *7% of the funds allocated for National Franchise Programme should be assigned to Indian businesses.*

The Malaysian Indian businesses in Malaysia are not getting enough help, expertise or know-how in franchising their business on a global scale. Nevertheless, currently the number of Malaysian Indian businesses that have great potential to be franchised can benefit the nation.

With adequate planning this could be the beginning of an establishment of a global franchise presence.

Therefore, it is recommended that 100 new Malaysian Indian franchise businesses be assisted under various programmes like PNS and others. Currently, Indians do not have the awareness and incentives to move forward in this direction. The incentive can be delivered in the form of Consultation, Grants, Loans and Franchise Development Training.

4.5 Technology Incentive

The government must provide loans and incentives to ensure modernisation. The five industries that Malaysian Indian community is presently very active in include:

(1) Food/service

- (2) Metal/Precious Metal;
- (3) Transport/Logistic;
- (4) Newsstand/Printing; and
- (5) Retail/Textile.

These industries are labor intensive and have potential for modernisation. The government must provide loans and incentives for them. For instance, restaurant owners could implement the POS systems to enhance management quality. Representatives from respective association must be encouraged to participate actively in technology transformation in their industry in establishments like PRIMAS, PRESMA, MIMTA, etc.

4.6. Malaysian Indian Women Participation in Business

It is recommended that the government create at least 500 new enterprises for Malaysian Indian women including graduates. Malaysian Indian women are left behind compared to their counterparts of other races and to address this it is recommended that the government create at least 500 new enterprises for Malaysian Indian women graduates.

A Special Programme or Scheme could be developed under the Ministry of Women Affairs and Community Development to boost awareness and to provide training, grants/loans as well as supervision. The industries of interest should include marketing services, beauty, training, food/service, green technology, small scale manufacturing activities, human resource services, cottage industries and others.

4.7 Graduate Business Community

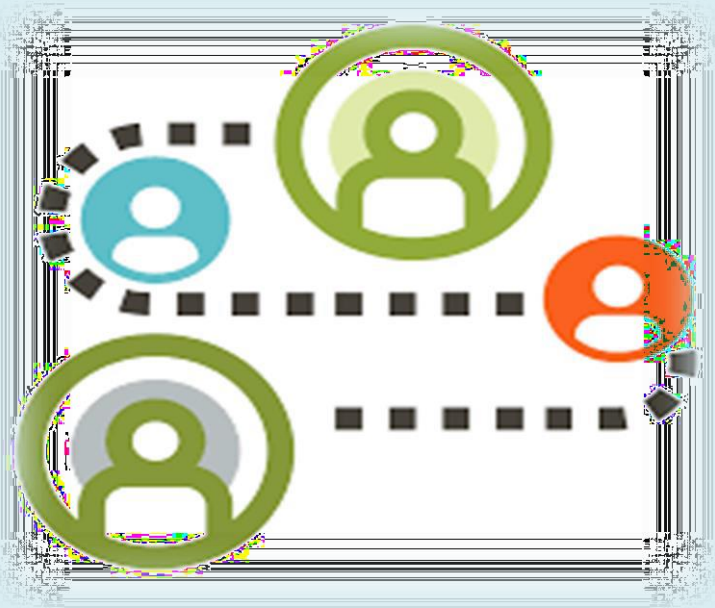
It is recommended that the government assist and support the Malaysian Indian graduates to start up new businesses. Young entrepreneurs are the engine of growth of the economy. Likewise, it is also a tool to reduce unemployment among graduates.

It is recommended that the government assist and support the Malaysian Indian graduates to start up new businesses in areas like financial services, healthcare, consultation services, R&D related services, and others. A target of assisting 1,000 new Indian graduates in these new businesses is an important and necessary beginning. The programme should be specifically tailored towards graduates who are less than 35 years old who have successfully undergone training and consultation. They should be given a loan facility of not less than RM500K to start and to develop their business. Additionally, during the training, the graduates need to be paid living allowances not less than RM1,500/month and this should be part of the loan.

The loan should be flexible enough to be converted to a grant of equal amount, upon paying taxes or employing certain number of employees within 10 years of operation. Even though currently there are programmes with a few government agencies, but these are not within the reach of Indians. Special quota and directive must be made.

PILLAR 5: DELIVERY & MONITORING SYSTEM

- ✓ Monitoring
- ✓ Delivery System



The government has initiated MITRA to facilitate the delivery system as well as to address Indian socio-economic issues. However, the issues were not addressed holistically for delivery to be truly effective. The outreach of assistance to the bottom 40% is still beyond their reach due to lack of delivery system to the masses.

What is important is proper monitoring and implementation at the district level where the population of Indians are concentrated. This creates a permanent institutionalised solution rather than throwing quick fixes for issues that need greater understanding and complex maneuvering pertaining to the minorities, especially the Indians. A systematic approach to issues and needs will benefit the government greatly rather than having too many ad-hoc committees or having political parties to dispense tasks without expertise or infrastructure. Political bodies are meant for political work and aspirations, not for policy-programme-welfare deliveries.

There is an urgent need for a performance-based approach. The performance-based approach involves setting public goals for programmes reflecting national strategies that should be a benchmark for the success of any programme-related spending. These long-term outcomes are based on medium-term results which, in turn, rely on delivery of specific products supposed to result from activities for which public funding was used for the Indians. The linkage of public expenditure programme funding, programme implementation and the impact on the achievement of (societal and organizational) strategic objectives, is aimed at an optimum allocation of financial resources among programme activities and producing higher social welfare. This also means it is only possible when permanent monitoring of programme implementation as well as periodical evaluation is involved.

To achieve the goals set, it is important to regularly monitor the progress of programme execution and to periodically conduct an evaluation of its impact. The core element of monitoring and evaluation activities is setting Performance Indicators whose values serve as a yardstick for measuring a programme's success.

The Proposed Initiative

5.1. The implementation of performance-based approach requires the government to engage in the following.

- A. Setting the needed legal requirements so that the institutions/agencies/units involved in the programmes are subject to assessment and monitoring.
- B. Developing the programme evaluation criteria in collaboration with the institutions/agencies/units
 - a. Programme Planning
 - i. Programme Needs Assessment
 - ii. Feasibility Analysis
 - b. Setting the Key Performance Indicators
 - c. Programme Implementation
 - i. Process Evaluation (To improve the operation of the existing programme)
 - ii. Outcome Evaluation (To assess the impact of the programme)
- C. Budget Allocation Based on Performance Assessment

5.2. In terms of delivery and implementation of the programme, it should be implemented at department and district level where dedicated government officers (of Indian origin, if possible) should be employed to

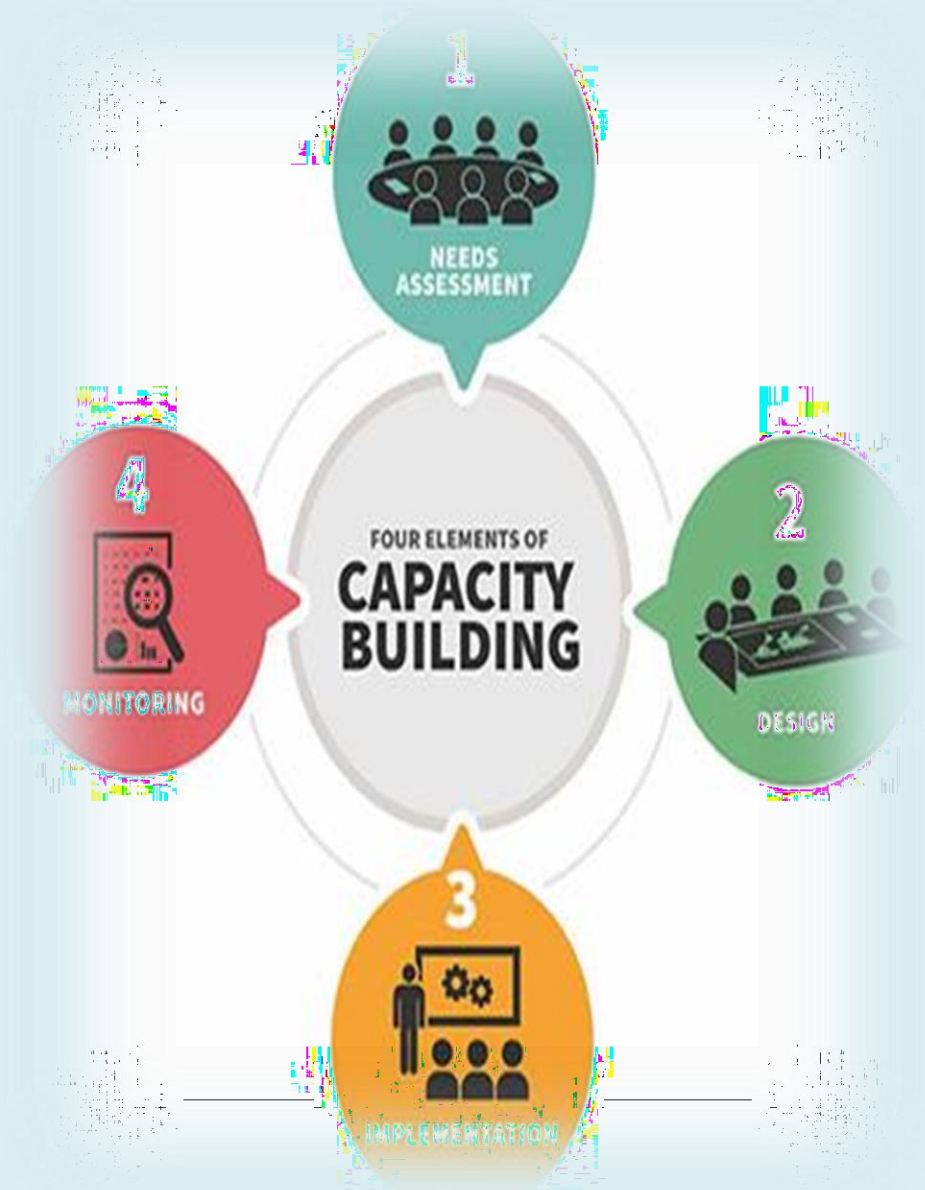
ensure it reaches the target group – the bottom 40% in the 37 districts populated mainly by Indians.



PILLAR 6

Digital Economy -IR4.0 Accessibility and Capacity Building

- ✓ Capacity building in Equity Market
- ✓ Capacity building through Vendor Development Programme
- ✓ Capacity Building in Traditional, Cultural & Indian Art Business
- ✓ Development of Malaysian Indian in Lacking Sectors
- ✓ Capacity Building in E-COMMERCE for WOMEN – SINGLE MOTHERS



6.1 Capacity building in Equity Market

More effort is needed to engage the Malaysian Indian community to participate in the stock and equity markets. The lack of participation is due to funding constraints and knowledge. Traditionally, Malaysian Indians don't have the mindset for portfolio investments.

Proposal:

It is recommended that the government provide training for 200 qualified Malaysian Indian Youths to participate in stock and equity markets as stock brokers and remisiers. The programme is to be conducted by Bank Negara or other affiliated agencies. Adequate exposure, training and coaching will ensure Malaysian Indian participation in this sector. Indeed, the programme can include Securities Commission programmes that coaches and offers funds for youth graduates to be involve in the Securities business. Funds for Malaysian Indians must be set aside.

Training alone is not adequate. Learning by doing should also be encouraged. Increasing equity participation and ownership of Malaysia Indians can be improved by reserving 5% of all new CPOs for Malaysian Indians, including new offerings of shares by GLCs.

6.2 Capacity building through Vendor Development

Programme

Currently, Bumi Status companies have benefited in terms of learning through the vendor development programmes. A similar approach can be taken to build capacity among the Indian businesses. MNCs and GLCs can participate in training and developing Indian businesses through vendor development programmes by offering business opportunity. This in return will create successful local businesses. It is recommended that 100 qualified Indian Malaysians per year be trained under a similar

scheme. This will ultimately create more business spillover for the nation.

Providing business opportunities in this manner is also feasible. This is more feasible, both politically and economically, to correct the economic imbalance rather than just having contracts on an **Ali-Baba basis**. It is important to make sure the businesses that have obtained approval through Malaysian Indian quota be made known and they have an obligation to create a cascade effect.

Another option is to build capacity through partnership and joint ventures. It is proposed that the government facilitate these businesses to engage in partnership and joint ventures. A programme to create 500 potential partnerships with established business owners in selected industries like Halal, Export/Import service, Technology Intensive Industries, Green Technology and Finance is proposed.

The programme includes creating awareness, training, coaching, consultation, loan/grant and supervision. The programme can be parked within the SME Corp under Malaysian Indian Partnership scheme. With a loan allocation of up to RM1million, it is possible to create 500 new businessmen within five years.

6.3 Capacity Building in Traditional, Cultural & Indian Art Businesses

It is important to develop and catalyze the traditional businesses of the Indian community. Capacity building is important to make these businesses to be global players. Cultivate new enterprises that are related to cultural and traditional-based business or services. These businesses include Dance Academies, Cultural sports, Cultural craft, Musical Equipment Manufacturing, Cultural Skill Training Centre, Sculpture, Theater Shows and Jewelry manufacturing. These industries are important for tourism and are a unique attraction for Malaysia. Currently, most of the supplies are imported from India and it will be an added advantage if Malaysians

were to venture into these industries. The programmes to develop these industries should be specific and parked under the Ministry of Heritage and Culture. The programmes should include training, study scholarships to India perhaps or other suitable country for consultation as well as loans/grants. In addition to this support, Study Abroad Loan Schemes may be made available; for example – priests and artists or talents interested in cultural musical instruments which is difficult to nurture locally.

6.4 Development of Malaysian Indian in Lacking Sectors

The government and private sector need to implement a broad range of assistance programmes to facilitate the entry of Indian entrepreneurs into manufacturing and modern services sectors, particularly in the SMIs.

As clearly indicated the Malaysian Indian community participation in certain sectors, namely manufacturing, agriculture, utility, green tech, digital, construction, finance, wholesale and retail, is grossly lacking. These initiatives may include the following:

- **Specially packaged programmes** currently implemented for the participation of Bumiputra entrepreneurs should be extended to Malaysian Indian entrepreneurs. For example, the vendor development programmes for privately owned companies in automotive, motorcycle and Halal food industries including government owned companies such as Petroleum Nasional Bhd, Tenaga Nasional Bhd, Telekom Bhd and MISC.
- Issuance of **Licenses and Permits** to Indians should be given priority. For example, 8% of taxi, tour bus and lorry permits; 8% allocation of businesses in petrol stations and dealership.
- A request for the Ministry of Entrepreneurial Development to set up a special fund of RM500Mil for Indian

entrepreneurs like the RM2 billion fund for the Bumiputra **Providing Seed Capital** for startups and business expansion.

- Open avenues for Malaysian Indian contractors to participate in **Class A & B schemes** in infrastructure and construction sector.
- **Adequate Allocation of Seeding/incubator funds** to intensify Malaysian Indian participation in Manufacturing, Green Technology, Bio tech, Information & Communication Technology (ICT), Education, Health Tourism, professional and consultancy services.

6.5 Capacity Building in E-COMMERCE for WOMEN – SINGLE MOTHERS

Internet commerce plays an important role in vitalising the participation of women. Boosting E-Commerce participation especially in textile, services and physical products will enhance Indian participation especially among the bottom 40%. Creating an E-COMMERCE startup FUND through SME CORP for Malaysian Indian WOMEN will be important. This will provide a safety net for the underprivileged. For example, setting aside RM10Mil annually for this purpose will help create at least 1,500 to 1,750 cottage internet-based business. Currently we see the interest of Malaysian Indian women in providing services like, Beauty Works, Tailoring, Textile/Cloth Selling, Food Delivery, Prayer Products, Spice & Curry Powders, Herbal Products, etc.

PILLAR 7:

Managing COST of LIVING

- ✓ Cash Handouts/Micro Loans
- ✓ Education Help
- ✓ Healthcare
- ✓ One Household –One Programme for Social Upliftment



Creating Safety Net for Underprivileged

Our Government is undertaking critical efforts to achieve Vision 2020. In the light of rapid economic development and immense progress towards success, a group of people are obviously facing the negative impact of development due to their social-economic situation. They are not purposely pushed away, but they are not able to be competitive due to their circumstances. This group of people are residing in pockets of poverty in urban centers and rural areas. The Government never neglected this group. Various programmes and initiatives have been introduced in previous plans to assist this vulnerable group to pull themselves out of poverty. However, due to certain structural inconsistencies, a significant number of individuals in this group are not able to progress. It must be said that 87% of Indian Malaysians are urban dwellers, more than 70% of them are within urban poverty.

Who are they?

- People who have migrated to urban centers due to lack of opportunities in rural areas and seeking new opportunities
- Those who lack technical skills and entrepreneurship skills
- Those who are employed in elementary jobs
- Broken families in low cost housing areas
- Individuals from problematic backgrounds

It entails creating specific programmes to uplift their social-economic conditions especially in education and health. Implementing this requires registering the vulnerable households and effective monitoring and implementation units. The details of each specific area are deliberated below. The key to success of the programmes depend on the registration of the vulnerable households and effective monitoring processes.

7.1 Cash Hand-outs / Micro Loans

- To help the vulnerable households when they face difficulties
- Should not create the dependency syndrome, but more as a social safety net

The areas of interest should be bus fare, tuition fees, and food and fuel stamps. Currently thru **E-Kasih & BR1M** Programme we have considerable data on effected groups.

Proposal:

- **Food Stamp Card Programme (E-Food Card):** This is similar to what is used in the USA and most of Europe. A certain amount is credited to the account for food for a family based on number of dependents. The card is non-transferable, and it is one card per household. This card can also be used to address fuel subsidy.
- **Day Care Vouchers:** Family with acute financial trouble can be assigned day care vouchers that are redeemable at all registered centers.
- Internet / Data or WIFI Facilities Installation

7.2 Education

- Academic expenditure
- Transport expenses
- Hostels for those who cannot afford to go to school – to avoid dropouts

Proposal:

- **Bus Fare Assistance:** This can be administered through schools like the meal assistance programme. The funds will come from Ministry to the bus operators with some standard amount.

- **Tuition & School Expenses Assistants My Tutor:** This aid can be administered through NGOs or Schools. Since it can be easily abused, monitoring and requirements is a must.
- **School Season Vouchers/ Bantuan:** Selected families can be given school season vouchers to purchase books, begs, uniform and etc. We can get participating vendors like Giant, Mydin, etc.



7.3 Health- CARE

- f. Social Health Insurance scheme by the state:
 - i. for those who are not able to have normal insurance to enable them to enjoy proper medical assistance for chronic diseases
 - ii. For households whose major breadwinners are affected with chronic diseases
 - iii. For households who have physically challenged children

Proposal:

Scheme My Health Card: Which gives continuous health care coverage and continuous supply of medicine for OKU or chronic illness (Diabetes, Stroke, Cancer, Kidney, etc.) This Card must be reviewed periodically to avoid abuse.

7.4 One Programme – One Household Programmes - Affirmative Action for Social and Economic Upliftment / Capacity Building

- g. This must be a long-term project which will assist the vulnerable group to liberate themselves from appalling conditions.
- h. This must be a multi-pronged action developed by various agencies and coordinated by a special unit. The programmes should range from:

- i. Better employment – in collaboration with local private entities
- ii. Entrepreneurship training and opportunities – cottage industries with minimum investment
- iii. Better housing estates for the vulnerable groups
- iv. Effective skills and vocational training for youths and others



PILLAR 8:

Institutional & Legal Reform

- ✓ MITRA
- ✓ KWSP -EPF
- ✓ MINISTRY OF UNITY
- ✓ LABOUR LAW





8.1 MITRA ROLE OF MITRA AS THE TRANSFORMATION CATALYST MUST BE

We strong suggest the following;

1. **MITRA MIB-Indian Blue Print 2017** must be studied, revised and adapted as it is a government funded blue print to transform Indian community in a host of areas.
2. **PTST 2013 – Plan Tindakan Sekolah Tamil** must be studied, revised and adapted as it is also a great piece of work and plan fully funded by tax payers and it is an official document.
3. **MITRA** must refocus into researching, planning, resourcing, monitoring and delivering a robust TRANSFORMATION as the name suggests with dedicated **Research & Statistic Unit**
4. **MITRA** must total study ways to plug into and facilitate various programmes, grants, opportunities and assistance available in the federal or state or local councils.
5. **MITRA** also must take advantage of volunteer experts and ground leaders' resources to deliver top to bottom

form of transformation with lateral leadership and vertical growth.

6. **MITRA** to release annual report on all the KPIs, funding and close monitoring on essential indicators, coefficients, milestones and reviews.
7. **MITRA** must undertake research and continuous studies on methodologies via IPTAs and IPTSs,
8. **MITRA** to establish **MITRA HOTLINE 24/7** call Centre, complaint or communication portals to communicate with the community about their complaints, needs, grievances, suggestions, questions and information dissemination.
9. **MITRA TRANSFORMATION TASK FORCE (TTF)** with an objective getting multi parties to support and power the transformation with MITRA, members of Government, MPs and NGOs.
10. **MITRA** to be returned to **JABATAN PERDANA MENTERI** rather than being under Kementerian Perpaduan Malaysia like PENJANA, EPU, and other affirmative structures.



8.2 KWSP- Kumpulan Wang Simpanan Pekerja

Malaysian EPF was established in 1951 pursuant to the Employees Provident Fund Ordinance 1951, under the National Director of Posts. This law became the EPF Act, 1951 in 1982, then the EPF Act, 1991 in 1991. The EPF Act, 1991 requires employees and their employers to contribute towards their retirement savings and allows workers to withdraw these savings at retirement or for special purposes before then. As of 31 December 2012, EPF has 13.6 million members, of which 6.4 million are active contributing members. At the same date, EPF had 502,863 contributing employers. The total asset value of KWSP is edging close to RM945Bil with about RM37Bil of annual contribution.

OBJECTIVES

The Employees Provident Fund (EPF/KWSP) is the provider of retirement savings for all private and non-pensionable employees in the country. It manages a mandatory savings scheme through which both employees and employers contribute a fixed percentage of the employees'

monthly salary into the employee's account.

CURRENT MISSION

To Provide the Best Retirement Savings Scheme.

We have re-investigated the core mission of KWSP and reform to fit the current need to provide the working force a safety net to all its members even beyond 55/60 years old or beyond their full withdrawal of their savings.

KWSP needs to reform its mission to: -

MISSION 2021 BEYOND

To Provide Sustainable Safety Net Services, Retirement Saving Scheme and for All its Members

Providing: -

- Life and Basic Health Insurance for members
- Providing Local Study Loans and Deductible with Dividends, Second Account, or etc.
- Foreign Expats EPF Scheme (like Singapore CPF).
- Mandatory Malaysia Foreign Employment Contribution Scheme without PR
- Government 3rd Form for Contribution for B40-M40
- Synchronize the Companies Act to give priority to employees' salary.

8.3 MALAYSIAN UNITY MINISTRY

We need to have a clear legal definition and social distinction between affirmative action, special privileges by constitution and discrimination. We must not condone institutionalised discrimination based on race, colour, religion and nationality, which will be detrimental towards the country's progress and racial relations in a multiracial society.

We need to legislate a detail act to prevent further deterioration of race relations in this country. The unity ministry should not be just a 'feel good' ministry without any clear mandate or plan.

We are suggesting the following:

1. **Declaration of Unity Day** on 13th May.
2. **Minority Protection Act** to protect mother tongue education, culture, heritage and way of life of all minority communities in Malaysia including Sabahan, Sarawakian, Indian, Chinese, Orang Asli, etc.
3. Bahasa Iban, Bahasa Tamil, Bahasa Mandarin, Bahasa Jawa, Bahasa Kadazan - all these languages to be declared as **Mother Tongue Languages** of Malaysia and to be preserved.

4. **Criminalising Racism.** We need explicit and detail acts to combat racism in Malaysia. We are currently using many acts that do not clearly and directly address racism.



8.4 LABOUR LAW REFORM

8.41 EMPLOYMENT DISCRIMINATION

There are no specific statutes or laws that prohibit discrimination in line with the Federal Constitution, which says that all persons are equal before the law and that there shall be no discrimination against citizens on the grounds of religion, race, descent, place of birth or gender in:

Laws cover the following:

- ✓ the appointment to any office or employment under a public authority;
- ✓ the administration of any law relating to the acquisition, holding or disposition of property; or
- ✓ the establishing or carrying on of any trade, business, profession, vocation or employment.

EMPLOYMENT ACT ON HIRING

- ✓ Preference and discrimination. Are there any legal requirements to give preference in hiring to, or not to discriminate against, particular people or groups of people? The Persons with Disabilities Act, 2008 provides that persons with disabilities shall have the right to access employment on an equal basis with persons without disabilities. Additionally, certain licenses may impose conditions to facilitate affirmative action.

- ✓ Work and race related discrimination should be tackled in the larger context of the labor policy. It is timely that employment contracts are enforced with greater emphasis on the labor policy especially in occupations that the poor are actively engaged in such as lorry drivers, security guards, domestic helpers, waiters, and others. Mapping of this occupation is crucial not only to help the poor Indians but all poor Malaysians.
- ✓ Must there be a written **EMPLOYMENT CONTRACT**? If yes, what essential terms are required to be evidenced in writing? The EA (which applies only to employees who come under the purview of the EA) provides that employment contracts lasting for more than one month must be in writing. However, under local laws, the lack of a written contract does not by that reason alone invalidate the employment relationship or the contractual terms. The EA also provides that the employment contracts must include a provision for termination.
- ✓ To what extent are fixed-term **EMPLOYMENT CONTRACTS** permissible? There are no restrictions in law against fixed-term contracts and neither are there are maximum durations determined by law. However, in the event of a dispute as to whether a contract of employment is of a permanent nature or fixed term, the

court will look at several factors, including whether the nature of the work was such that the employee's services were in fact genuinely required for a fixed term only, whether there were automatic successive renewals, the duration of the contract and all contractual terms. Additionally, the MRA provides that the minimum retirement age does not apply to fixed-term employees who are employed for not more than 24 months (inclusive of extensions), and fixed-term employees with basic wages of RM20,000/month who are employed for more than 24 months but not more than 60 months (inclusive of extensions). This suggests that all other fixed-term contracts may be treated as permanent contracts for the purposes of the MRA.

- ✓ **PROBATIONARY PERIOD:** What is the maximum probationary period permitted by law? The law does not prescribe a maximum probationary period. The probationary period may be extended if the employee does not meet the expected standard of employment. It is recommended that the contract of employment reserves the employer's right to extend the probationary period.

- ✓ **CLASSIFICATION AS CONTRACTOR** or employee. What are the primary factors that distinguish an independent contractor from an employee? There is no single test that is available to distinguish an independent contractor from an employee. The entire facts, circumstances and features of a person's engagement will be identified and considered as a whole in determining the nature of the relationship. Among the matters that may be taken into consideration are:
 - ✓ **TEMPORARY AGENCY STAFFING** - Is there any legislation governing temporary staffing through recruitment agencies? There is no legislation governing the hiring of temporary staff through recruitment agencies. However, recruitment agencies are required to comply with the provisions of the Private Employment Agencies Act, 1981.
 - ✓ **FORCED LABOR** is a growing problem in Malaysia and it involves foreigners as well as the local labour force. It is imperative Malaysian Labour take their obligation in ensuring the welfare of working force in Malaysia, for the longest time Malaysia has been the hub of cheap labor and exploitation, and the situation continues even till now.



8.5 EPU - MONITORING, ASSESSMENT AND DATA POOL

1. For all projects that are awarded to the Indians with a purpose of uplifting the Indians socially and economically, the programmes should be **monitored and evaluated**. The following is crucial.
 - a. To set a side small portion of budget for each of the projects to undertake the monitoring and evaluation from the start to the end of the project. This should be done by an independent body. For instance, university experts can be engaged to do the assessments that will provide adequate data to the government on the success of each of the programmes. It will also tackle the problem of misallocation and misuse of funds.

2. **Collecting and Mobilising Data** – DOSM and other entities who are mandated in data collection should adequately provide data to the respective organizations/institutions to make better decisions. Data sharing should be encouraged. Data is crucial to support NGOs, and other organisations' activities so that they can take a targeted approach to help the poor Indians. This will reduce the burden of the government as well. For example, sharing of aggregate data without disclosing any individuals in the following ways:
 - a. Sharing data on the concentration of the poor by district (a general mapping system would provide some assistance).
 - b. Sharing of BRIM and other data at aggregate level.
 - c. Unemployment data, youth employability, etc.
 - d. Sharing of data with scholars and experts so that they can initiate research that benefits policy and the society.
 - e. Inter ministry and agency data sharing efforts.
3. Initiate a **DEDICATED RESEARCH CENTER** with funding for the minority within EPU (or in one of the prime universities) to provide policy advice.

The above is effectively done in many other countries. In fact, many developing countries makes the data public to learn from the data and make better decisions.

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Towards & Beyond 2025.....

Indians

TOWARDS & BEYOND



