

MP: Gov't wasted RM300mil on BR1M insurance

MalaysiaKini.com

Oct 27, 2014

The government had spent over RM300 million for "nothing" under its scheme to provide takaful insurance protection to seven million Bantuan Rakyat 1Malaysia (BR1M) recipients, PKR's Pandan MP Rafizi Ramli said today.

Based on a parliamentary written answer, the government had paid a consortium of insurance companies RM50 on behalf of every eligible recipient, which totals up to RM350 million.

However, as of end September 2014, only 13,015 claims had been made under the i-BR1M scheme, amounting to RM42 million being paid to the claimants.

As such, Rafizi said that the government had effectively paid RM300 million in the form of "net profit" for the insurance companies.

"The government does this on the pretext of providing services to the people, but the money went to companies instead. This has happened quite often, and this is the best example," he said.