

It's a game-changer

PM: Padu central database will transform subsidy distribution

PUTRAJAYA: Putrajaya's newly developed Central Database Hub (Padu) will not just ensure the distribution of aid and subsidies is efficient and reaches their target groups, it will also stop leakages in government assistance, says the Prime Minister.

Datuk Seri Anwar Ibrahim said with Padu in place, those who are not eligible - the 3.5 million foreigners, the wealthy and those in the high-income group - would not be receiving aid as the system would be able to identify them.

While the government has spent a "significant amount of money" to help the poor and those in need of assistance, there were leakages and they were "glaring", he added.

He said the introduction of Padu is also in line with the country's digital transformation approach, ensuring that every government service will be enjoyed by deserving citizens.

"The government has spent RM80bil in various subsidies and yet, there are still people who are poor and in need.

"There is something wrong somewhere," he said at the launch of Padu yesterday.

The Prime Minister said the government needs to work on improving the distribution of assistance and could no longer depend on the current structure.

He also said subsidy rationalisation cannot be conducted effectively without Padu and digital transformation.

"It is impossible for Malaysia to sustain managing the country's finances if we cannot improve the structure.

"This is one reason why Padu was created. We need to ensure that those eligible will continue to benefit from government aid and assistance," he added.

Padu, which contains profiles of individuals and households, is an integrated socio-economic database that combines data from government departments and agencies to provide a fairer representation of the socio-economic status of each household in Malaysia.

It aims to provide a safe, comprehensive and near real-time



All systems go: Anwar launching Padu as (from left) chief statistician Datuk Seri Dr Mohd Uzir Mahidin, Digital Minister Gobind Singh Deo, Ahmad Zahid, Economic Affairs Minister Rafizi Ramli and Economic Affairs ministry's secretary-general Datuk Nor Azmie Diron look on in Putrajaya. - RAJA FAISAL HISHAN/The Star

national main database that enables more accurate data analytics to be performed as well as for policy formulation and data-driven decision-making processes.

Anwar said Padu is solely built by civil servants and he commended them for their ability to set up a central database.

"Their skills, knowledge and expertise have enabled the government to have this system in place, without having to engage the services of international consultants, whose fees the government would have to bear," he said.

"This has saved cost, and the money can be channelled to other purposes."

Saying he is impressed by civil servants' performance, the Prime Minister announced that the implementation of their new salary scheme will be expedited.

He said this could not be implemented last year as the country's financial situation did not allow for it.

On July 14, the government agreed to review the civil service salary scheme, taking into account the increase in the cost of living

and the fact that there has been no salary review since 2012.

Following this, a meeting of the Cabinet Committee on Public Service Reform was held on Aug 7 last year to discuss the Public Service Remuneration System (SSPA) as a civil service reform initiative.

Meanwhile, Deputy Prime Minister Datuk Seri Ahmad Zahid Hamidi said that with Padu, the disbursement of subsidies could be done in a targeted manner and only those who are eligible will enjoy it.

"The price of fuel is not as low as it used to be in Saudi Arabia. Ours is still low due to the subsidies that are being enjoyed by all including foreigners.

"I believe it has to be implemented immediately so that we can recognise some savings and the (funds) can be spent on development," he said.

Communications Minister Fahmi Fadzil described Padu as a "game changer for data management" in Malaysia.

He said if a person wants to deal with three public sector institutions, they might end up having

to fill up many different documents with tens of supporting documents with nearly similar information, Bernama reported.

"But now, with Padu, all data is under one roof, so the public no longer needs to fill in data repeatedly," he posted on Facebook adding that currently there are 455 public sector institutions in the country, including 70 ministries, departments and agencies, 13 state governments, 83 federal statutory bodies, 134 state statutory bodies and 155 local authorities.

He also shared his willingness to sign up for Padu and urged the public to do the same at the <https://www.padu.gov.my/link>.

Registration is open to the public from now until March 31, and users can update and confirm 39 personal details, including identification numbers, number of household members and their addresses.