

Anwar wants PM to respond to ETP forecast
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KUALA LUMPUR, Dec 27 — Datuk Seri Anwar Ibrahim urged Datuk Seri Najib Razak today to respond to his prognosis that the Economic Transformation Programme (ETP) will force Malaysians deeper into poverty and widen the income gap.

The Opposition Leader pointed out that since he made the claim during a speech on December 15, the prime minister had failed to confirm or deny his bleak forecast, which he said was made based on ETP's own projections.

In his speech, Anwar (picture) had said the ETP would force some 1.7 million Malaysians into poverty by 2020 while corporate giants and government cronies would be enjoying a larger slice of the economic pie.

The former finance minister had also poured doubt over the projections in Najib's ETP which was introduced last year by claiming that instead of reducing the number of low-income workers and increasing the number of high-paying jobs, the initiative would only see the number of urban poor climb.

By 2020, he had said, there will be between seven and 8.3 million urban poor in Malaysia, with monthly earnings of RM1,500 and below.

"This total accounts for 51 per cent of the country's workforce in 2020. Therefore, a failed economic programme that only increases the number of poor is bad economic planning that sidelines the people's welfare.

"This key question should be answered by the prime minister himself," Anwar said today.

The Permatang Pauh MP continued to question the government's projection that workers' wages would grow at an average rate of 3.6 per cent per annum between 2010 and 2020, without which the projected salary distribution for 2020 as claimed by ETP is a falsehood.

He noted that the Human Resources Ministry itself had said recently that wages growth in Malaysia merely recorded an average increase of 2.6 per cent per annum for the past decade.

"This was further strengthened by the National Employment Return Study of 2009, involving a sample of 24,000 employers and 1.3 million workers. The report found that 33.8 per cent of the workers were paid below RM700 per month.

"If this were to be extrapolated nationally, it surmises that only 34 per cent of our workforce earn below the national poverty line... so based on these facts, the 3.6 per cent growth is inaccurate," he said.

Anwar also insisted that the government's assumption that the country's average inflation rate for the period up to 2020 of 2.8 per cent is flawed, pointing out that the average rate

since the past 12 months had stagnated at around 3 per cent.

“And the aim of hitting the RM48,000 target for gross national income (GNI) per capita for 2020 cannot be achieved if inflation is more than 2.8 per cent,” he said.

Anwar pointed out that Najib had not once denied his analysis that the ratio of employee compensation to GNI would drop to 33 per cent by 2020 from 40 per cent in 2009.

“This is the key problem in this country... While the elite group, families and cronies gain riches, a majority of the people are further burdened by increased living costs and stagnating incomes,” he said.

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