

**Pakatan vows to phase out NEP**  
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**By Boo Su-Lyn**

PETALING JAYA, Feb 27 — Pakatan Rakyat (PR) has pledged to replace race-based affirmative action with means-tested policies that will see the eventual removal of the New Economic Policy (NEP) if it captures Putrajaya in Election 2013.

PKR strategy director Rafizi Ramli stressed that the opposition pact was focused on increasing household income to RM4,000 monthly, instead of pursuing a 30 per cent Bumiputera quota.

“We are going to move from race-based to needs-based policies and that will automatically phase off the NEP,” said Rafizi at a press conference at the PKR headquarters here today.

“It’s a matter of time [before] all these race-based policies are irrelevant,” he added.

Rafizi pointed out that under a PR government, Bumiputeras would enjoy equity exceeding 30 per cent.

PR unveiled its election manifesto last Monday, promising a complete revamp of the country’s economic approach with the aim to ensure every Malaysian household draws a minimum monthly income of RM4,000 by the end of its first term.

The pact also enforced its pledge to drop fuel prices and electricity tariffs, scrap toll payments, reduce car prices, free education, as well as increase the ceiling for taxable income to those who earn a minimum of RM400,000 annually, instead of the current RM250,000.

Rafizi pointed out that the Bumiputera quotas under the Barisan Nasional (BN) government had not helped the majority, alleging that they were abused to enrich a select few.

Prime Minister Datuk Seri Najib Razak said in 2011 that Bumiputera quotas needed to be eliminated eventually, but stressed that the government must continue to support the community’s best talent to ensure a more competitive business environment.

Najib has pointed out that the New Economic Model (NEM) promotes affirmative action based more on meritocracy, saying, “We must promote the right Bumiputera”.

He said offering quotas would promote complacency, hamper economic growth and bury Bumiputera talent.

Najib noted that the 30 per cent Bumiputera equity target “does not mean anything”, particularly if entrepreneurs decide to sell off their shares when prices soar, leaving little in the hands of the Bumiputeras.

Critics have accused Najib of diluting his NEM by creating pro-Bumiputera agencies like Teraju and failing to focus on needs and merit-based affirmative action policies.

But government officials said the move was necessary as Bumiputera equity in the economy remained low, despite the billions doled out since the NEP began in 1971.

Malay rights groups have firmly opposed measures to remove Bumiputera quotas that have cut the country's competitiveness over the years.

Rafizi said earlier today that PR planned to save about RM49.5 billion annually on federal government procurements and projects in order to finance economic programmes costing RM45.8 billion annually.

He highlighted the Selangor PR government that saved 24 per cent on road projects from January to September 2012.

Rafizi pointed out that PR would similarly save 24 per cent, or RM49.5 billion, out of the federal government's RM206.4 billion existing procurements and projects this year.

He said that PR's economic agenda would cost RM45.8 billion, comprising the scrapping of toll payments, the reduction of excise duties, a national housing scheme, teachers' special allowances, dismantling the National Higher Education Fund Corporation (PTPTN), and 20 per cent oil royalties.

Other initiatives include the Caruman Wanita Nasional scheme, bonuses for senior citizens, a fund for minimum wage, People's Pioneer Scheme to train school-leavers, 20 per cent contribution to the Armed Forces Fund board (LTAT), veterans' dividends, an increase of buses in the Klang Valley, free wards at government hospitals, and an increase in welfare aid.

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