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PETALING JAYA: In a groundbreaking move yesterday, Malaysia launched the Central Database Hub (CDH) with the aim of restructuring the distribution of government subsidies and social assistance to effectively address economic inequalities.

Malaysia University of Science and Technology economist and research and innovation provost Prof Geoffrey Williams said the setting up of Padu is a game-changing initiative with significant economic implications.

"It can help to ensure a baseline income for all, and target support more directly."

He added that the hub would enhance efficiency as it focuses on specific criteria such as the number of dependents instead of household income categories.

"It allows welfare support to be

targeted directly to needy individuals, eliminating distinctions such as B40, M40 and T20 income groups."

Williams said direct cash transfers would cut out problems associated with subsidies, such as distortion of market prices, benefits to the rich as well as corruption.

He said addressing economic disparities is crucial and Padu will provide accurate information on income as well as income inequality.

"The data-driven approach can be instrumental in economic policy analysis and allow for a more accurate targeting of groups and locations."

Nasirama Academy for Strategic Research geostrategist and senior fellow Prof Dr Anni Hossain said Padu will revolutionise Malaysia's economic landscape and offer a data-driven approach to subsidy distribution and social assistance.

He said the inclusion of factors such as location and the number of households in the database is a positive step.

Amri said there are concerns on the implementation timeline for the public to update their data.

He emphasised the sensitivity of the vast amount of information collected by Padu.

Recovery Minister Rafiq Huzni

had previously said Padu aims to consolidate data from various government agencies into a single database.

"Its primary objective is to provide the government with a comprehensive understanding of household income in Malaysia, enabling more efficient subsidy distribution and the formulation of better policies."

He said users are required to verify and update the information gathered from agencies, with the deadline set for March 31.

"Upon logging into Padu, users will encounter over 250 data fields, covering personal details, information on dependents, income, vehicles and more."

"All citizens aged 18 and above need to register and check the data on the portal as well as update and verify 28 required items of personal information," said Rafiq.

Amri pointed out that the sheer volume of data that Padu has to manage raises questions about the system's capacity to efficiently handle it.

"There are public worries about potential bottlenecks and technical glitches that could hinder smooth information transition."

"This concern is particularly heightened given the critical nature of the data involved and the need for its accuracy in shaping public policies and services."

Amri called for greater transparency and clarity from authorities regarding the implementation timeline.

He stressed on the importance of ensuring that only the government has access to the data and allaying fears of potential misuse.

"Building public trust in the government's ability to handle data responsibly requires a collaborative effort involving clear legislation, effective enforcement mechanisms and ongoing dialogue between the government and citizens."



Part of the crowd registering and updating their personal information on the newly launched CDH at the event held in Putrajaya yesterday. — AMIRUL SYAFIQ/THESUN