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Innovative and inclusive plan

WIDE-RANGING

INNOVATIVE AND INCLUSIVE PLAN

Measures to make high-income nation that takes care of its people

KUALA LUMPUR

MALAYSIA unveiled its latest five-year plan yesterday, aiming to transition the country towards an innovation-led, high-income and value-driven economy while providing an inclusive social system for the people.

The 13th Malaysia Plan (13MP), themed "Melakar Semua Pembangunan" (Redesigning Development), was tabled by Prime Minister Datuk Seri Anwar Ibrahim. It aspires to elevate Malaysia into a high-income nation that is among the world's top 30 economies.

It targets annual economic growth of between 4.5 and 5.5 per cent from 2026 to 2030, and envisages RM611 billion in development spending. Of this, RM430 billion will come from the government and state-linked agencies, and RM181 billion is expected to be raised from private investment and public-private partnerships (PPP).

Anwar described the 13MP as "a beacon of transformation" to help the people face increasingly complex challenges.

"(This includes) addressing the rising cost of living, slow wage growth, transition to an ageing nation, environmental degradation and the impact of climate change," he added.

Anwar said the government would be inclusive to ensure all Malaysians benefit from the country's development.

To boost education outcomes, the government would review optimal school hours, evaluate the effectiveness of special schools, and enhance education models for gifted and talented students, Anwar said.

Preschool education will be mandatory from the age of 5.

To ensure efficiency, preschool to secondary education will be overseen by the Education Ministry, while higher education will be under the purview of the Higher Education Ministry.

The minimum wage policy will be expanded to graduates and semi-skilled workers, including those from technical and vocational education and training under Masco Code 8 and above.

"A comprehensive wage alignment will be accelerated to ensure a fairer and more equitable share of economic gains for workers."

On the social front, the government will review the retirement age, and expand facilities and special education for vulnerable groups.

To curb the rise in non-communicable diseases, the government will expand "pro-health" taxes on tobacco products and liquor to drive behavioural change.

Reliance on foreign workers will be reduced from 15 per cent to 10 per cent by 2030.

He said to support the effort, a multi-tiered levy mechanism will be enforced more comprehensively to encourage employers to shift towards automation, mechanisation and the hiring of Malaysians.

FORWARD-LOOKING PLAN

Experts laud the 13MP for moving beyond traditional infrastructure-driven development.

The emphasis on digital transformation, inclusive growth, fiscal reform and strategic policymaking is calibrated for a changing global landscape.

Universiti Malaya Adjunct Professor Tan Sri Dr Sulaiman Mahbob said the plan focused on generating greater economic value across all sectors.

"The strongest message was about value creation.

"It means generating more jobs, entrepreneurship and higher productivity."

He said this on a programme titled *13th Malaysia Plan: What it means for you and the nation*, broadcast on NST Online and BH Online.

Bank Muamalat chief economist Dr Mohd Afzanizam Abdul Rashid said the government intended to move Malaysia up the value chain.

"We can see that with the increase in development expenditure from RM400 billion under the 12th Malaysia Plan to RM430 billion now.

"That shows the government's seriousness in funding growth-related initiatives," Afzanizam added.

KEY FIGURES

RM120b

for national development investment

RM77,200

targeted per capita gross national income

RM1 trillion

targeted electrical and electronics exports

KEY PILLARS AND FOCUS AREAS

Artificial intelligence, innovation, advanced manufacturing, data centres and digital infrastructure have been given focus to position Malaysia as a regional tech hub.

PPPs will be improved by shifting from a project-centric model to an ecosystem-driven one.

Malaysia plans to reduce its budget deficit to under three per cent by 2030, raise public and private investment sustainably and manage inflation at two to three per cent.

The country aims to be a regional champion and influential global player of AI, digital technology and renewable energy.

To this end, the National AI Action Plan 2030 will drive talent development, research and commercialisation of technology.

Implementation of New Industrial Master Plan 20230, National Science Strategy and National Energy Transition Roadmap will be intensified.

The government is also considering nuclear energy.

Focus will be placed on strengthening economic integration through free trade agreements.