

PROPOSAL ON THE SOCIAL INCLUSION ACT
and
ESTABLISHMENT OF A SOCIAL INCLUSION COMMISSION

Preamble

The aim of this submission is to outline the key aspects of the proposed Social Inclusion Act (SIA) to address the serious issues of poverty, inequality and marginalization in Malaysia.

Background

In August 2012, Saya Anak Bangsa Malaysia (SABM) and the Human Rights Society of Malaysia (HAKAM) presented a draft legislation entitled the **Social Inclusion Act**¹. The proposal highlighted, that:-

- The vision to achieve a just, equitable and inclusive society is enshrined in the ***Rukunegara*** proclaimed on the 31st August 1970; and that we are far from realizing the national aspiration set forth in this historic document.
- Almost forty percent of Malaysians are still trapped in the inter-generational cycle of poverty and inequality. Poor and Low-Income households comprising 12 million citizens lack the capability to overcome the multi-dimensional disadvantages they face on a daily basis.
- Vulnerable individuals and groups, citizens and non-citizens alike, continue to encounter prejudice, discrimination and remain marginalized.
- There is an increasing disconnect between our people from the Bottom 40% households with the rest of society. They are trapped in a constellation of disadvantages due to the low asset base that includes low levels of education and skills, poor nutrition and health; and unwholesome living conditions.
- A host of social ills associated with dysfunctional families from this stratum of our society is becoming evident. Increasing rates of substance abuse, delinquency and dropouts, child abuse, crime and mental illnesses, are clear indicators that something is amiss in our beloved nation.
- Income inequality is a cause for concern. The Bottom 40% households have an average monthly income RM 2,848 compared to RM 16,088 for the Top 20%. Their Income Share is 16.4% compared to the 46.2% share of the 'Top 20%' households. And the 'Top 10%'

of households has an income share of 29.6% compared to 2.2% of the “Bottom 10%’ households.ⁱⁱ

- Additionally, there is growing inequality between the poor and low-income families; and those in the middle and upper classes in terms of health status and educational achievements.

Rationale

The rationale for the SIA is the need for a new paradigm that focuses on long term solutions to bring about a socially just and more inclusive society. The overarching reasons for this call to adopt and implement the Social Inclusion Act are:

- The basic needs of all people must be fulfilled in a fair and equitable manner to realize a socially harmonious society that we all aspire to achieve;
- Uplifting the socio-economic status of the disadvantaged members in our society has always been one of the main goals of all development plans;
- Inculcating the spirit of self-reliance, strengthening self-esteem and upholding the dignity of our people are fundamental values enshrined in universal human rights and enjoyed by all faiths;
- Providing our less fortunate children the hope and the capability to break the inter-generational cycle of poverty and inequality is imperative; and
- Ensuring that all groups, including migrant workers, refugees and asylum seekers, will be served by a truly inclusive agenda.

To address the root causes of poverty and marginalization in a non-partisan and dispassionate manner, it is proposed, that;

- An independent **Social Inclusion Commission** answerable directly to Parliament be established. This Commission would be mandated to have oversight over all matters of poverty reduction, affirmative action and social inclusiveness.

In 2014, The UNDP in its Malaysian Human Development Report strongly supported the proposed SIA legislation and Commission, as follows:-

“ ...what Malaysia lacks is an overarching law to deal with issues of the marginalized. What exists appears to be piecemeal solutions with no attempt to approach the problem holistically and with intellectual depth. To this end, suggestions have been made by two NGOs (Saya Anak Bangsa Malaysia and HAKAM) for the creation of a Social Inclusion Law.....Their proposal is for the creation of a Social Inclusion Commission whose members are nominated by the King upon advice from a cross-party parliamentary committee....it would be an independent body answerable Parliament. This would open up the possibility of having a more thought-out, organized, democratic and transparent method through which a government can properly handle this matter of inclusivity. It holds out reasonable prospects for stewarding the inclusiveness agenda.”ⁱⁱⁱ

Conclusion

In March 2014, the then sitting Member of Parliament, Dr. Michael Jeyakumar submitted a motion to table the Social Inclusion Act as a Private Member’s Bill. The motion was rejected by the Speaker.

In May 2018, the proposal was submitted to the Committee for Institutional Reforms established by the new Government. To date we have not received any official feedback on the submission.

We believe this legislation contains fundamental proposals that focuses on the key institutional dimensions of poverty alleviation and would go a long way towards achieving the goal of a just, equitable and inclusive society.

We urge the Special Rapporteur to study this proposal and to consider its inclusion in the final report to the UN Human Rights Council.

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8 June 2019

ⁱ Please see draft Act attached...

ⁱⁱ Department of Statistics Malaysia (October 2017), *Household Income and Basic Amenities Survey Report 2016*, Putrajaya

ⁱⁱⁱ United Nations Development Programme (January 2014), *Malaysia Human Development Report 2013: Redesigning an Inclusive Future*, Kuala Lumpur