

More focus on recovery

Asean nations give priority to economy and healthcare



By DIYANA PFORDTEN
newsdesk@thestar.com.my

PETALING JAYA: A majority of Asean countries are slashing expenditure in their 2021 financial budget due to the impact of the Covid-19 pandemic.

However, regional governments are also focusing on revitalising economic activities through various recovery programmes and preventive healthcare measures.

The Thai government has cut its national budget for next year from 3.3 trillion baht (RM438bil) to 3.28 trillion baht (RM435bil) but plans to channel more money to education, health, interior and law.

The *Bangkok Post* reported that while a total of 31 billion baht (RM4.1bil) was slashed from other areas, the budget for the Ministry of Public Health, Ministry of Interior, Equitable Education Fund and Court of Justice was increased by 17.9 billion baht (RM2.4bil).

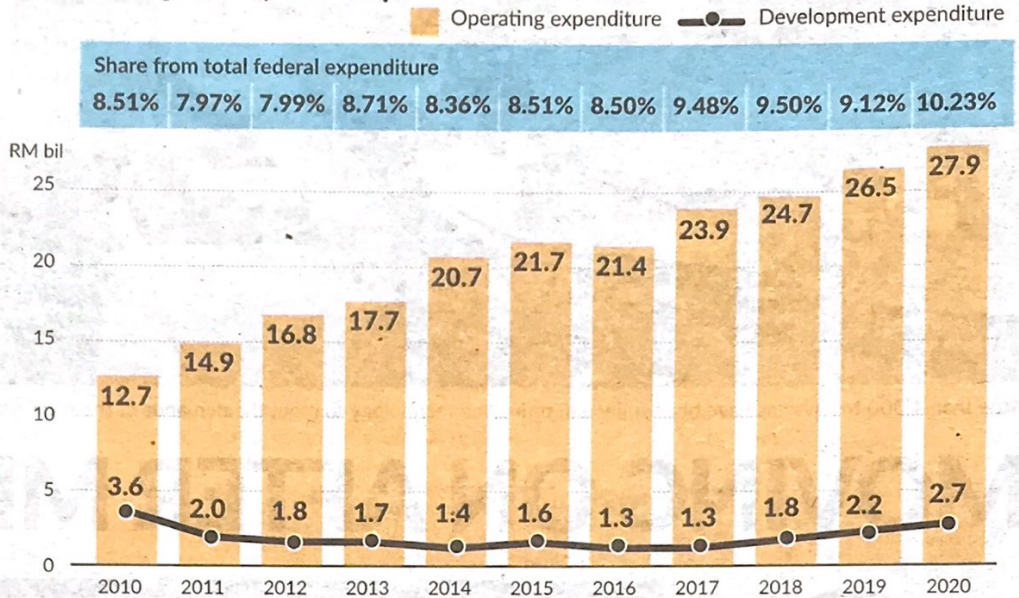
The Philippines, meanwhile, proposed a 4.5 trillion peso (RM386bil) budget for Fiscal Year 2021, which is aimed at containing the pandemic and spurring economic recovery.

The country's department of health has been allocated 203.1 billion pesos (RM17.4bil), a 14% increase from the previous year's budget, while the department of social welfare and development's allocation was slashed by more than half to 171.2 billion pesos (RM14.1bil) from last year's 366.5 billion pesos (RM31.5bil).

The government has been steadily increasing its share of federal expenditure to the Health Ministry over the years, from 8.51% in 2010 to 10.23% in 2020.

In Malaysia, Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz has said that Budget 2021 would focus on revitalising the economy and aiming to protect lives and livelihood, as well as building on the current recovery

Federal expenditure allocated for the Health Ministry over the years (RM bil)



Facilities under the Health Ministry



momentum through economic stimulus packages.

For Cambodia, its government on June 16 announced a plan to reduce the 2021 state budget by half to US\$4bil (RM16.6bil). The figure also accounts for a 11.3% drop in allocation for social affairs and 6.4% for general administration.

The government said it would continue to focus on social and health by supporting equity programmes and national protection schemes. Its yearly financial bonuses of 50,000 Cambodian riel (RM50) for public officials during two festivities in the country will not be given out in 2021, while a total of US\$800mil (RM3.3bil) to US\$2bil (RM8.3bil) are allocated for the

country's economic recovery and support for garment workers who suffered from factory suspension.

Only Indonesia, which released its 2021 state budget proposal in August, has maintained an allocation of 2.74 quadrillion rupiah (RM776bil) in expenditure, close to this year's revised state budget.

The country aims to accelerate economic recovery after the pandemic, with bigger spending on infrastructure and healthcare.

It intends to raise 1.78 quadrillion rupiah (RM504bil) in state income, which is 4.5% higher than this year's revised state budget.

A total of 169.7 trillion rupiah (RM48bil) or 6.2% of the budget is allocated for healthcare, with focus

on procuring Covid-19 vaccines, management of infectious diseases and strengthening disease prevention, among others.

In an effort to continue its national economic recovery programme, the government has set aside 356.5 trillion rupiah (RM100bil) in stimulus spending next year, lower than the 695.2 trillion rupiah (RM197bil) allocated for this year.

"Social protection for middle to lower class society of around 110.2 trillion rupiah (RM31bil) will be distributed through the aspiring family programme, staple food cards, pre-employment cards and cash social assistance," President Joko "Jokowi" Widodo said in his annual budget speech on Aug 18.