

# A shot in the arm for households

## RM100 Sara aid for 22 million adults starts today

**T**HE RM100 cash aid to 22 million adults under the Sumbangan Asas Rahmah (Sara) programme starts today. At an outlay of about RM2.2 billion, Sara aims to increase the purchasing power of low- and middle-income households, which constitute 80 per cent of the population. Detractors have expressed concern that vulnerable groups outside official data may miss out, that the aid is inadequate due to the rising cost of living, as well as the potential for misinformation and scams. As for people missing out, it's hard to believe when all Malaysians need to do is take out their MyKad when paying for items, just like they do for any official business. The real boon to this short-term economic stimulant, which must be used by Dec 31, is a temporary boost to the economy after the doldrums of the pandemic years.

The aid can be used at 4,100 participating outlets, including Mydin, Giant, Econsave, HeroMarket, Lotus's Stores, The Store, Pacific, 99 Speedmart and TF Value Mart. Also participating are smaller neighbourhood grocery stores and mini-markets in urban and rural areas in Malaysia. Eligible

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motorists will also enjoy a 6 sen discount for RON95 petrol. Worry not about people buying needless items with the Sara aid as it is only for food, hygiene products, school supplies and household necessities. Sara's goal is to be an "automatic economic stabiliser", maintaining consumption levels amid inflation and economic uncertainties, supporting social equity and inclusive growth. Yes, the Top 20 per cent may shrug off Sara as

"pocket money", but for the rest, it is a lifeline that keeps families afloat.

Sara is not an original idea. Previous prime ministers, before Datuk Seri Anwar Ibrahim launched his Madani Economic framework, have introduced billion-ringggit stimulus packages as far back as the late 1990s, a response that propelled Malaysia to recover faster than its Asean neighbours from the Asian financial crisis. The stimulus packages back then were broader economic vision and policy reforms with significant government spending. While the RM2.2 billion Sara aid gets going, the focus will continue on long-term challenges: cutting down national debt, boosting economic growth, curbing inflation and rationalising subsidies. Despite the wage growth from the minimum wage law and civil servant salary increases, the government still has to address the economically vulnerable facing inflationary pressures, skill mismatches and limited high-skilled job opportunities. Solutions are needed to overcome income growth constraints and ensuring savings for future security. It's a moving target: the majority of Malaysians remain economically fragile and very focused on basic needs.