



[Home](#)

[About Senator Chris Back](#)

[Photo Galleries](#)

[News](#)

[Hot Issues](#)

[Newsletter](#)

[Calendar](#)

[Contact](#)



### Contact Chris Back

PERTH ELECTORATE OFFICE  
PHONE: (08) 9414 7288

[EMAIL CHRIS BACK](#)

### Search this site

[Current Articles](#) | [Archives](#) | [Search](#)



## ADJOURNMENT My Kasih Foundation

August 15, 2012

Senator BACK (Western Australia—Deputy Opposition Whip in the Senate) (20:07): I rise this evening to share with the chamber and with the community a style of income management as it is being practised in Malaysia. Since 2009 there has been a quiet revolution in the support of low socioeconomic families particularly the mothers of families in Malaysia. This evening, some 20,000 needy families are receiving financial support through a foundation which I will explain in some more detail, and those families are receiving food and household items. The foundation trains the mothers of the households in household budgeting, offers skills in their development in microfinancing, and of course education for their children. It is all managed with security through a smart card system linked to a central database, and it actually had its origins here in Australia. I am very proud to be a founding director of the board of this foundation, which is known as MyKasih, Bahasa for 'love thy neighbour'.

In its first three years of operation the number of families assisted has escalated from 1,000 per annum to 8,000 to 12,000, and we confidently expect that there will be 20,000 families next year. With five members in each family, that is 100,000 people. It spans 111 locations throughout Malaysia on both the mainland and peninsular Malaysia and all ethnic groups are represented.

One of the fascinating aspects of this particular program is that 100 per cent of all money that is donated by the corporate sector and philanthropic families actually goes to the low socioeconomic families—100 per cent. The operating costs of the whole MyKasih Foundation are some six per cent of total expenditure and that is fully met by fundraising.

How does the system work? As I mentioned it is a smart card system, so we give dignity to the mother of the low socioeconomic family that is identified as being in need so that she can go shopping in the same way as others and she can use a card which normally would be denied her because of her social or economic status. The system does not allow the purchase of alcohol or cigarettes or gambling products but concentrates in the supermarkets in Malaysia on foodstuffs with nutritional value and other essential items for the families. What has been an interesting aspect over the time the foundation has been operating is that the major suppliers now of staple foodstuffs are in fact providing generous discounts to the foundation, which are of course passed on to the families. Because the foundation now enjoys tax deductibility status from the government of Malaysia then those retailers who offer those discounts can themselves enjoy a tax benefit as a result.

MyKasih is the brainchild of my very, very good friend and colleague, a philanthropist and very successful businessman Dr Ngau Boon Keat who is chairman of the Dialogasia group of companies, which are in Malaysia, Australia and New Zealand and throughout most areas of the world.

The germ for MyKasih came from a discussion I had with BK on Australia's social and security processes where, as we know, so much support is provided by the Australian taxpayer to families and to individuals through Centrelink and, regrettably, often with questionable benefits or improvements in the outcomes for those families. It was as a result of that discussion I had with the BK when he and I discussed the equivalent situation with low socioeconomic families in Malaysia, that we asked the question: would it not be possible to be able to use some software which the company, of which I was CEO at that time, had developed for retail petroleum sales in Malaysia? Would it not be possible for the software to be modified so that it could drive what became the centre of MyKasih.

Where we see the contrast in Malaysia and Australia is that our MyKasih experience is already yielding families who are reporting to us significant improvements in their household nutrition, school attendance, economic wellbeing, and in upskilling particularly, as I say, the mothers of these families. At the last meeting I attended in early June, I urged—and it will happen now—independent auditing to ensure that that anecdotal feedback is validated.

BK through his generosity now offers the software free of charge to the MyKasih Foundation to operate the system and he looks forward to the day when it will be available throughout the Asian region, again, free of charge to countries where we think it will have application. In fact we have already had inquiries from Indonesia about the same system. MyKasih enjoys financial support from the oil majors in Malaysia such as Shell and

### Latest Photos



[My WA Photos >](#)

Petronas, Chevron and Caltex, and many philanthropic families.

But besides food aid, it also has allowed two emerging programs which I think would hold lessons for our country. Any teacher of course will tell you that a hungry child cannot learn, and it is not to our credit, I think, that even in my home state of Western Australia there are some 16,000 to 18,000 breakfasts served every week in schools in WA under the Foodbank program. When you try to explain that to the poorer people in Malaysian villages, they shake their heads and wonder why. Nevertheless, they see the way out of poverty is education. MyKasih is now piloting a bursary system, initially trialling in some 16 schools and embracing some 800 students from the same families we are supporting with food aid. Again, it is the same smart card through the same central database system that is allowing each child selected from that family to purchase educational texts and other tools and also foodstuffs, but only during the school year. Interestingly, it is contingent on them actually achieving at least the same if not an improved educational outcome every six months through that period.

The second one is what is referred to as 'Sew for Life'. It is a program where the mothers of recipient families are being supported, in this case by the Caltex organisation, in small group training sessions where they are not only taught sewing skills but are then supported through a microfinancing process to actually be able to purchase sewing machines and in that way repay the loan and, of course, build themselves a circumstance which will get them away from poverty.

What can we learn from a program in Malaysia that had its origins in the thought process here? We know the Australian taxpayers are very generous in their support of those who are not working, cannot work or who are transitioning between jobs. It is of interest in our country that some 33 per cent of our budget is actually spent in social security and welfare payments channelled through Centrelink. Contrast that with our spending some 16 per cent of the budget on health, eight per cent on education and six per cent on defence. That is the relationship.

Of course, all Australians—Australian taxpayers and everybody in our community—want to see our funds spent prudently to ensure adequate food, clothing, housing, education and health for those who are in need. Of course equally, I think it is reasonable that we would not expect that these funds would be wasted at a time when they are so desperately needed by those families. I am very, very pleased to see that we are now moving towards income management for those families in Australia who do not themselves have the skills or the wherewithal to be able to manage their funds. Only recently I was interested to learn that in the Northern Territory—and obviously Senator Crossin would know these ladies far better than I—both Bess Price, who I think is a candidate in the upcoming Northern Territory election, and Alison Anderson, who I believe is the member for Macdonnell—if my information is correct—support this notion for those families who are themselves unable to manage this circumstance.

I commend what we are experiencing through MyKasih in Malaysia to the chamber. I believe that with the use of electronic technology, with sensible objectives and sound governance we are seeing lives changed. We are seeing poverty being relieved through education, we are seeing dignity for the mothers particularly of those families and I really believe that this is the way forward for us in the future.

---

[Home](#) | [About Senator Chris Back](#) | [Photo Galleries](#) | [News](#) | [Hot Issues](#) | [Newsletter](#) | [Calendar](#) | [Contact](#)  
[Accessibility Policy](#) | [Privacy Policy & Disclaimer](#) | [Datasearch](#) | [Web Design](#) | [Login](#)

Authorised by Senator Chris Back, Unit E5 817 Beeliar Drive Cockburn Central WA 6164.