

Best so far, balancing revenue with expenditure, says Dr M

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PRIME Minister Datuk Seri Dr Mahathir Mohamad has described the 1994 Budget as the best so far from Finance Minister Datuk Seri Anwar Ibrahim because it balanced revenue with expenditure.

He said although the country had good Budgets over the last few years, the one presented by Anwar today was "excellent."

Speaking to reporters at Parliament House after the tabling of the 1994 Budget, Dr Mahathir said: "Firstly,

is our ability to balance the revenue and expenditure. In the past, when we say it's a balanced Budget ... we do not take into consideration the development expenditure."

Dr Mahathir said this time around, the Budget had managed to include the development expenditure which was quite large.

"This time it's about RM13 billion and still we have managed to achieve a balance between revenue

and expenditure," he said.

The Prime Minister described this achievement as extraordinary.

Secondly, Dr Mahathir said, there were a number of investment incentives and tax reduction, including exempting some 60,000 tax payers from paying taxes.

He said the move to spare them from paying taxes was aimed at helping those in the lower income group.

"Although we have reduced the taxes, we believe

that the buoyant economy will ensure that the Government's revenue from the taxes will increase," Dr Mahathir said.

He said in general, everybody should be pleased with this Budget.

"But as always, in the beginning everybody will support it. But after a few days, they will find something wrong."

Dr Mahathir said this was especially so with those who just want to find fault.

Asked how the Government would offset the reduction in revenue, Dr Mahathir said: "According to the projected economic growth, volume of trade and profits enjoyed by the private sector, we are confident that although taxes are lower the total revenue will increase.

"This is our belief ... whether it will happen, we don't know," he said.

Dr Mahathir said, as reminded by Anwar in his

Budget speech, the country should be cautious and manage its expenditure and finance efficiently or else the economic performance would decline.

"We will always be cautious in our financial management," he added.

On the bonus to civil servants, Dr Mahathir said the Government was fulfilling its earlier promise following the privatisation of its agencies.

Previously, the Govern-

ment used to pay salary for the 13th month because of the higher cost of living.

"We are paying the bonus because we can afford it. At the same time, the number of civil servants had been reduced by almost 100,000, giving the Government some extra income."

Dr Mahathir said the bonus was in recognition of the civil servants' efforts and contribution to the government administration.

He said those in the priva-

tised bodies were now enjoying higher salaries and bonus.

He added that more infrastructure development projects would be privatised.