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Budget-Reaction (Opposition)

BUGET 2002 A BURDEN TO LOWER INCOME GROUP, SAYS FADZIL

KUALA LUMPUR, Oct 19 (Bernama) -- Opposition Leader Datuk Fadzil Noor said the 2002 Budget is not people friendly as it is a burden to the low and medium income groups.

He saw the one or two percent cut in personal income tax rates would only benefit those with a high income.

"Also, the rise in the price of certain goods will lead to higher inflation," he said when met after Prime Minister Datuk Seri Dr Mahathir Mohamad presented the Budget in Parliament today.

Fadzil said the increase of 10 sen per litre in the price of petrol and diesel would affect the people, including lower income earners who used the motorcycle to travel.

The PAS president also said that contrary to what Dr Mahathir said in his Budget speech, there was a difference between the bailouts in Malaysia and the United States.

Referring to airline bailouts touched on by Dr Mahathir, Fadzil said Malaysia Airlines was bailed out to save a particular individual whereas the airlines in the US were provided financial assistance after a sharp drop in bookings following the Sept 11 attacks in the United States.

DAP vice-chairman Dr Tan Seng Giaw said the "huge" allocation of RM7.824 billion for defence in this Budget was worrying.

Dr Tan, however, welcomed the RM20.78 billion allocated for education, saying it was an encouraging move.

"I hope everyone uses this large allocation for education wisely," he said.

Dr Tan also said the RM6.3 billion allocated for health was appropriate amidst the current slowdown in the economy.

Parti Keadilan Nasional president Datin Seri Dr Wan Azizah Wan Ismail said she agreed with the Prime Minister that women had an important role in the country's development.

Women may be mothers or wives within the family but no can deny that they play an important role and contribute much to the development of the country, she said.

PAS Youth chief Mahfuz Omar said that the bonus and pay rise announced for civil servants were inadequate for those in the lower income brackets.

Besides, by raising petrol and diesel prices, the people were being forced to use their additional income on something that they could not avoid buying, he said.

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