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Budget-Income

EQUITABLE DISTRIBUTION OF INCOME BETWEEN URBAN AND RURAL AREAS

KUALA LUMPUR, Oct 19 (Bernama) -- Ensuring the equitable distribution of income between urban and rural areas, between high and low income earners as well as between the more developed and less developed states remains a strategy of the government.

"Currently, there exists a wide income gap between the very rich and the very poor," Prime Minister Datuk Seri Dr Mahathir Mohamad, who is Finance Minister, said when tabling the 2002 Budget in the Dewan Rakyat here today.

He said that the rich had made contributions towards national development through their expenditure and investment, creating job opportunities and their consumption generates commercial activities, thereby providing income to workers and profits to businesses.

"For the lower income group, if their purchasing power is increased, they too can equally contribute to growth. While their income is low, their consumption is big, given the significant number of those in the low income group," he said.

As such, the Prime Minister said, if their income is increased, their higher consumption will contribute to the nation's GDP.

Dr Mahathir said that efforts must be taken to increase their income and towards this end, the government will provide funds for training workers in modern agricultural skills.

He said that the government will provide an amount of RM10 million for such training programmes in relevant training centres.

With higher competence, the Prime Minister said, they can command higher wages.

He said that the income of class F contractors will be increased through the implementation of more small projects in rural areas.

"Project management training will be provided for those who need training, to increase their efficiency and enable them to be upgraded to higher class contractors. Payment system and loan facilities for those with good track record will be established," he said.

Dr Mahathir said that retail business opportunities will be identified in villages and newly developed townships.

He said that training and viable franchise businesses will be provided for those interested and who have some capital, such as from their retirement benefits or EPF.

For those who are already in business, assistance will be provided to further expand their businesses, he said.

"However, it must be emphasised that commitment and diligence are important values. Those who only want to get rich quickly must not exploit these opportunities to satisfy their greed," Dr Mahathir said.

He also announced that mixed farming estates will be promoted by the government.

He said that these estates must be managed by professionals in the appropriate fields.

Dr Mahathir said that modern agricultural development will be encouraged in states with abundant land and with per capita income lower than the national average.

-- BERNAMA

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