

**Expect more liberalisation in Budget 2012**  
**Malaysiakini.com**  
**September 12,2011**

The government is expected to announce further measures toward economic liberalisation in the next budget, according to an interview with Prime Minister Najib Abdul Razak in business magazine Forbes Asia.

"In the coming budget announcement in October, there will be further rounds of liberalisation," the premier is quoted as saying, but he does not provide details.

"We have been liberalising the economy, but I have to assuage domestic concerns that opening up too fast would be threatening.

"Liberalisation is good for our long-term sustainable competitiveness. It builds our intrinsic strengths - not through protection or subsidies."

In 2009, the government liberalised the service and financial sectors, which saw the removal of the 30 percent bumiputera equity for some 27 service sub-sectors and an easing of the licensing and foreign equity limits for investment banks.

The 2012 budget is expected to be tabled on Oct 7, after Parliament reconvenes on Oct 3.

Najib also reiterated his desire to proceed with implementing the Goods and Services Tax (GST) but stressed the need to get domestic support.

"We have to widen our tax base. We have decided in principle to go for a GST, which provides a strong revenue base when it is implemented. But again, I have to engage the public to tell the people that it is a good move," he says.

Under the current budget, the liberalisation exercise has been conservative, including moves such as divestment of shares held by government-linked investment companies and allowing them to invest more overseas.