

Shadow budget to rein in high cost of living

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Pakatan Rakyat has unveiled its alternative budget, focusing on cushioning the impact of the rising cost of living on the rakyat.

anwar dang wangi police station 290611"The guiding principle in the planning of this budget is to uplift the needs of the people and put (these) above all else," Opposition Leader Anwar Ibrahim said.

He was delivering the policy broad-strokes at a press conference in Parliament house, ahead of announcing details of the 'alternative budget' at 5pm today.

Among the measures proposed to reduce the impact of the high cost of living and to increase income are:

- * A universal minimum wage of RM1,100;
- * RM1,000 annual bonus to senior citizens;
- * RM1,000 annual allowance for homemakers;
- * Increase the 'top-up' allowance for low-income earners to RM550 monthly; and
- * Increase Welfare Department aid from RM300 to RM550 monthly.

A briefing session will be held at Parliament house tomorrow afternoon, and later in Shah Alam, by Pakatan experts and the committee responsible for drafting the alternative budget.

azlanOne point of contention raised by the BN to previous alternative Pakatan proposals on cushioning rising the cost of living has been about the source of the funds to cater for subsidies and allowances for the rakyat.

In the latest incarnation of the Pakatan shadow budget, the opposition explained how they are going to address this.

It aims to cut corporate subsidies, rein in discretionary spending by the prime minister and reintroduce excise and duties on luxury goods that were recently axed by the BN administration.

The federal government's policy has been that subsidies for the rakyat are no longer tenable, and is aiming to do away with subsidies altogether.

The opposition has pointed out that corporate subsidies which cost more are being maintained at the expense of the people.

Working along the same lines

However, the Najib administration has also been working along the same lines, announcing that the forthcoming Budget 2012 will specifically cater to the needs of the people.

Prime Minister Najib Abdul Razak told the Dewan Rakyat during the Question session yesterday that the strategies to be unveiled would take into account the hardship faced by low-income earners with a view to help and protect them if a global economic recession occurs and triggers a hike in the cost of living and

sends food prices spiralling.

Last month, Second Finance Minister Ahmad Husni Hanadzlah had said the current rise in the cost of living was due to global instability, where in the context of food supply, demand and supply are not in balance.

"The rise is also due to the increase in world population. To overcome this issue in Malaysia, the government has decided to include it as part of national agenda and the national key result areas.

"In our context, the cost of living involves food supply, housing and public transportation. The government has taken initiatives to find solutions to this issue and these will be tabled together with the Budget 2012."

Since solidifying into the viable coalition that it is now, the opposition has started to shadow the federal government policies in the model of the shadow government in other Westminster parliamentary systems.

This is Pakatan's second attempt at a shadow budget after denying BN a two-thirds parliamentary majority in the 12th general election in 2008.

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