

**Groups disappointed with lacklustre budget**  
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Disappointment has taken to the air after Prime Minister Najib Abdul Razak released the much-anticipated Budget 2012.

Employers, trade unionists, environmentalists and investors are either taken aback by certain aspects of the budget, or feel like they have been left high and dry.

For some, it was a case of "hoping for the sky and the moon", for they have been banking on the government's assertion that it is pro-reform and is putting the people first.

Was this a case of mismanaged expectations?

**Anthony Thanasayan, Malaysian Animal-assisted Therapy for the Disabled and Elderly Association (Petpositive):**

We are deeply disappointed. With the reform mood in the air, we were expecting the sky and got nothing, except this stupid one-liner that says the disabled will get RM150 to RM300 a month.

As it is, some are already receiving this much. It is a laughable amount because being disabled is very expensive. What we have continually communicated was RM500 a month, in line with rising cost of living.

It is not a caring budget and the government has forgotten about the aging disabled, whose family members are no longer available to care for them. In the United States, the government pays for caregivers using taxpayers' money. The government could consider subsidising foreign workers for this purpose.

There was mention of public low-cost housing. As a councillor with the Petaling Jaya City Council, I have seen how these places are hell holes, especially for the disabled, and many people become disabled in the later part of their lives.

So we call on the prime minister to engage with the disabled to see how it can help with real issues. The theme of the budget is welfare, but maybe the government only cares about the able-bodied, and we can only hope the prime minister will be a different one next year.

**Jaswinder Kaur Kler, Green Surf (Sabah Unite to Re-Power the Future):**

Green Surf (Sabah Unite to Re-Power the Future) takes note that there was nothing specific on environment protection and conservation-related initiatives under the newly unveiled Budget for 2012.

We were also banking on an announcement that would provide incentives for renewable energy, as we are working with partners and experts to offer clean energy solutions, apart from promoting awareness on the importance of reducing the nation's dependence on fossil fuels.

However, since the environment is part and parcel of all types of development and initiatives, Green Surf wants to see the government holding meaningful and genuine consultations with environmental NGOs and civil society groups.

In addition, Green Surf wants serious attention to be given to the opinions of indigenous peoples' groups before the introduction of projects that are said to benefit them.

Those at the receiving end are often not consulted on what they want. Even if they are consulted, this is only done when a project has been decided, or when there are objections. This must change, to be in line

with the government's promise to put people first.

**Khoo Kay Peng, political economist:**

I am disappointed the budget did not address much the needs of the urban population, especially in improving public transportation.

The government promised the reduction in oil subsidies would result in a commitment to improve public transportation, but we have not seen any commitment to the residents of the Klang Valley.

The government should have a five-year plan to improve public transport in the Klang Valley, besides the MRT project, with money saved from the subsidies used for this purpose. Subsequently, we will see a rise in number of people using public transport and there will be fewer cars on the roads.

The government has not also shown a commitment to generating new employment opportunities for Malaysians. There has been a lot of harp on a knowledge-based economy, but there is not much done towards harnessing it.

Furthermore, in our service industries, it seems employers are bent on hiring low-skilled foreign workers. This results in them being in the frontline of the service industries, and this does not reflect the true nature of the Malaysian population.

I also find the raising of the ceiling for house prices under the government deposit scheme for first time house buyers from RM200,000 to RM400,000 worrying for workers with a salary of RM3,000 and below, or a joint income of RM6,000. What are they going to eat after paying for it? It is not feasible.

**Mohd Khalid Atan, Malaysian Trades Union Congress (MTUC):**

We are disappointed with Najib's budget as it only benefits the public sector more and not the private sector. There is nothing on minimum wage, which the government had promised to look into. At least the government should look into announcing a dateline for the minimum wage proposal to be put into effect.

Furthermore, the government should also extend the Cost of Living Allowance to the private sector, as what it has done for the public sector.

It is nothing much to shout out for the workers in the private sector, and the government has also not addressed the rise in inflation. What the private sector is only getting is a rise in the employer's contribution to the Employees Provident Fund. That is all.

To allow withdrawal from the EPF to book a place with Tabung Haji is fairly normal. Nothing substantial about it.

Workers in the private sector are utterly disappointed the government has not look into their demands.

**K Koris Atan, Penang Consumer Protection Association:**

The announcement this afternoon in Parliament was 'truly an election budget' and those who will benefit the most are the civil servants.

Najib is aware that he can secure votes for the BN or Umno as the civil servants - army, police and teachers - are mostly from one ethnic group.

While the budget took care of civil servants, it did not address one of the most important groups - medical doctors and para-medical personnel. Those in this profession are truly honourable, for they save lives and are seen as next to God. And there seems to be nothing for them in the budget.

How then do we address the brain drain of doctors leaving government service, and leaving the sector to be managed by one ethnic group only?

I welcome the free medical service for senior citizens over 60. The move is long overdue. However, I feel that the one-off RM500 cash assistance for households earning RM3,000 a month and below should be given to those earning RM5,000, for households can have more than four members in a family, and not singles or couples.

**Shaharudin Bardan, Malaysian Employers' Federation:**

We were taken by surprise by the one percent increase in the employer's contribution to EPF. It was something we least expected, especially in such times when the world economic situation is unstable.

Quite a number of MEF members have told us that they have less orders and cancellations of orders. The one percent hike in cost will be very difficult to manage. My fear is that some companies may have to rationalise manpower, leading to retrenchment, although we hope not.

We were not briefed or consulted. It is not good, because we are nearing the end of 2011 and if this starts in January 2012, it means that extra expenses will be incurred in three months' time, which we had not budgeted or planned for.

In terms of retirement age, the civil service retirement age rise is a form of pressure on the private sector. With longer life expectancy, it is reasonable to see an increase in the retirement age.

But any legislation on this should be flexible, at least for the first five years, to allow employees and employers the option either to resign or end employment at below 60 years, which is the mooted retirement age.

**Lee Ow Kim, Federation of Malaysian Manufacturers:**

There seem to be no changes for the manufacturing sector, no benefits. Instead, employers have to pay an extra one percent on the EPF. This will pose some problems for companies, as it applies to those earning RM5,000 and below. Why not apply it across the board? We have to make adjustments to our computer systems, which may be a problem.

This is indeed "a people's budget" and not a "manufacturing budget" as these people are government supporters. There is no mention of corporate tax cuts. We are now at 25 percent. How are we going to sustain our competitiveness in the global or even regional market?

Thailand is planning to reduce theirs from 30 percent to 23 percent in two years' time,. And they are planning to cut the tax further to 20 percent. We may not be so competitive any more.

On the double tax break for companies that give internships, international career fairs and scholarships, how does this really improve the economy? It is better to give tax breaks to companies to send their staff for technical or English courses to help them do better in their work.

As for raising the age of retirement, from 58 to 60 years, many will welcome it, but it may not be acceptable across the board. Do not make it mandatory. Give people an option to choose, for some may want to retire earlier and find more lucrative jobs elsewhere.

There is no mention in the budget on how to improve human capability. For example, we still do not have our own technologies. We have to hire foreigners and R&D companies are mostly in their home countries, so there is really no transfer of technology as such. Unless we address our human capacities, Malaysia will never be able to come out of the middle-income group.

This is a budget that has only short-term measures, no long-term ones.

**Ting Chung Cheng, Taipei Investors' Association in Malaysia (TIAM):**

If the Malaysian government wants to develop an international financial district like the KLIFD, it should be more bold and open up the financial industry to foreign banks to establish their branches in the country.

This will help the Malaysian financial industry to converge with the international financial system, and attract more foreign investors to invest in Malaysia.

Taiwan's investment in Malaysia is ranked number four, but we don't even have a Taiwanese bank here to assist us. This is very inconvenient.

There are also many projects launched under the Economic Transformation Programme (ETP). We hope the government practises open tenders for these projects and allows foreign investors to participate.

**Omar Osman, Cuepacs president:**

For the public sector, we welcome the increase incentives including the raise in the retirement age from 58 to 60 and the wages increase, especially those in the supporting sector which are getting less pay. This is what we have been asking and demanded for a long time.

Although the government has only given a one-month bonus, it is alright as there has been substantial increase in wages.

The removal of the Competency Level Evaluation (PTK) to a Competency Development Integrated Programme which is said to be much more fairer will benefit civil servants and we hope there would be less grouses in the method of promotion.

For civil servants, I urged that beginning Jan 1, we will work with full integrity, productivity, innovation for the betterment of the public sector service.