

It's a one-off election budget, say Pakatan MPs
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By Joseph Sipalan

The opposition yesterday poured scorn over Prime Minister Najib Razak's Budget 2012, criticising it for spending money the government doesn't have while granting international and local big players free rein to monopolise business.

Charles Santiago (DAP-Klang) said this is a "one-off" election budget based on the slew of goodies promised to a wide range of people from private and public schools to pensioners and civil servants.

"This cannot be repeated again. This is a one-off thing clearly to bribe the people to vote for the BN," he said when met outside parliament after Najib tabled Budget 2012 yesterday.

mtuc cawp water tariff pc 171006 charles santiagoSantiago pointed out that next year's Budget allows far too much leeway for major corporations - especially international players - to set up shop practically tax-free, while the middle class ends up paying for the government's promises with nothing in return.

However, he stressed that the biggest area of concern is the liberalisation of 17 sectors, which include healthcare and legal services. Local companies would face an insurmountable challenge to compete against much larger multinational corporations, he warned.

According to Santiago, this is a direct consequence of the Free Trade Agreements (FTA) signed by Malaysia, which allows foreign companies 100 percent ownership of businesses set up in the country.

"What this will do is firstly, Malaysians will go overseas to set up companies and come back to set up business here to take advantage of all these tax exemptions.

"More importantly, small and medium industries will now be facing elimination because the big boys are going to come with their factories, their hospitals, their production processes and services, including the lawyers, and they are going to eat up the small boys," he said.

"With healthcare opened up, without any support for Malaysians, the next thing is the national healthcare insurance scheme will be implemented. So this means it is setting the stage for the implementation of the GST (goods and services tax) and national health insurance scheme."

Budget 2012 fundamentals are off

Liew Chin Tong (DAP-Bukit Bendera) agreed that Najib's Budget 2012 is "money allocated for the big boys", with no benefit for regular Malaysians.

NONEHowever, he disagreed that it was an election budget, pointing out that despite the cash handouts to various groups, it carries "no real benefit" for the man on the street.

"All this money is for the big boys. By raising the limit for the My First Home scheme up to RM400,000, that only means people who buy houses are in debt for a much longer time.

"Even the RM40 million for the Kedai (Rakyat) 1Malaysia is basically a subsidy for (supermarket chain) Mydin, and there was no mention of a minimum wage. There was no commitment to increase the people's income, so there is no indication of who this budget is helping.

“There was no major allocation for public transport, apart from the RM150 million as a loan for (purchasing) stage buses in rural areas. That is a major problem... there is no commitment to change the system fundamentally,” he said.

Gov't will have to borrow more

The government is also guilty of hiding the facts behind its current debt situation, touting unrealistic deficit reduction goals, said Dzulkefly Ahmad (PAS-Kuala Selangor).

He said Najib made no mention of the government's source of income to support their various promises, be it in terms of taxation or other forms of revenue generation.

a kugan detention death funeral ummc to puchong 280109 kuala selangor mp dr dzulkefly ahmad“When they don't announce (their revenue sources), they are going back to borrowing. Outright borrowing.

“We will face debt servicing, that will go up to RM20.5 billion in 2012, compared to RM12.8 billion in 2008... it's more than (a) 50 percent (increase), and this is all a burden,” he lamented.

Dzulkefly acknowledged that the BN government had made a commitment to bring down the nation's deficit, which Najib pledged to bring down to 4.7 percent next year, but stressed that old habits would likely scuttle such noble intentions.

“They always hide this. They start off with this (figure), RM232 (billion), but three to six months down the road, before the end of the first quarter even, they will ask for RM13 billion.

“The last time they did this, the figure was RM217 (billion for 2011), and then they asked for RM13 billion more. That is actually very irresponsible. They try to hide their deficit, only coming (back) later (to ask for more money).

“This is government borrowing, and it is federal debt - not the entire debt of the nation - this is just federal government debt (alone),” he stressed.