

Idris Jala now says M'sia won't go bankrupt
Malaysiakini.com
November 10 ,2011

The head of a major government think-tank says Malaysia won't go bankrupt, contradicting his warning last year that Malaysia would end up like debt-ridden European countries if subsidies were not slashed.

Minister in the Prime Minister's Department Idris Jala (left), who heads the government's Performance and Delivery Management Unit (Pemandu), said Malaysia was on track to achieving a high-income economy status by 2020.

He said such efforts were being bolstered by the Najib administration's Economic Transformation Programme (ETP) which was yielding positive results.

"Malaysia is doing everything it can to transform itself into a high-income nation. With the programmes and policy measures, I am sure we will not go bankrupt," said Idris, according to Bernama.

He said this in his keynote address at a forum organised by Ernst & Young on 'Decoding the DNA of the ETP' in Kuala Lumpur today.

On May 27 last year, Idris said Malaysians must brace for cuts in government subsidies, or what he termed as "subsidy rationalisation", or the country would face bankruptcy by 2019.

"We don't want to end up as another Greece," he had said that day.

Subsidies for petrol, food, electricity and other staples makes up a substantial portion of the federal government's operating expenditure and is nearly eight percent of GDP.

Numbers are encouraging

Meanwhile, on job creation, cumulative investments and gross national income (GNI), which are among the main pillars for the realisation of ETP, Idris said they have achieved a target of over 10 percent respectively.

"For 2011, the government has targeted a GNI of RM494 billion and as at June 2011, we have achieved RM285 billion, or 56 percent.

"For the first year of implementation, we have already scored 13 percent in GNI of the 10-year target of at least RM1.4 trillion by 2020.

"I am confident that we would achieve the target given the numbers are very encouraging.

"However, we still have to wait for the official announcements from the Statistics Department and Bank Negara Malaysia," he added.

On another development, Idris urged Malaysian small and medium entrepreneurs (SMEs) to have confidence in the domestic economy and invest in the country to develop and expand their businesses.

He said the government had dished out 131 entry-point projects under the ETP but the take-up rate was

not encouraging.

"We want the SMEs to explore new business ventures in many sectors that we have identified in the key areas," he said.

Copyright © 1999-2011 Mkini Dotcom Sdn. Bhd
<http://www.malaysiakini.com/news/181012>