

Najib: Economic reforms boost finances, ease burden
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The government's economic reforms have strengthened the nation's finances besides easing the burden on the people, said Prime Minister Najib Abdul Razak.

Najib, who is also Finance Minister, said the reforms, although unpopular with some people, had to be taken to make the economy stronger than during the 1997 Asian financial crisis, from which the government has learnt its lessons.

The reforms included introducing the Goods and Services Tax (GST) and the economic transformation programme (ETP) to reduce the country's fiscal deficit and oil subsidies, he said at the 2014 excellence awards for Treasury staff in Putrajaya today.

"Reforms must be taken consistently although painful and unpopular. Sooner or later, the people will realise that the reforms have given us the latitude to face the current uncertainties.

"We started the ETP in order to lower the fiscal deficit from 6.7 percent in 2009. We are expecting 3.2 percent by year-end," he said, adding that the petrol subsidies have saved the government RM20 billion a year.

Najib said although the GST introduced on April 1 has been unpopular, it has helped to bolster the nation's finances amid falling oil prices.

"I have pledged the extra revenue from the GST will be returned to the people, and this will be done in Budget 2016," he said.

Factors beyond our control

Najib said Malaysia is faced with a global economic scenario that is facing pressure from factors beyond our control, with no country immune to the effects.

Najib said the government will set up a special committee that will meet every day if necessary to monitor and propose additional steps that need to be taken to stabilise the country's economy.

"The government will try its best, we hope the situation can be resolved soon. While external factors are beyond our control, the government will try to ensure that the people are not burdened by what is happening," he said.

Meanwhile, Treasury chief secretary Dr Mohd Irwan Serigar Abdullah (photo), who heads the special committee set up by the Finance Ministry, said the committee will monitor the economy and propose the measures that need to be taken.

He said he and his deputies will meet representatives of Bank Negara Malaysia, the Securities Commission of Malaysia (SC), Bursa Malaysia and the Economic Planning Unit (EPU) to get their views and proposals.

- Bernama

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