

PM: Budget 2016 to be revised due to economic downturn
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Times will be challenging for Malaysia in 2016 said Prime Minister Najib Abdul Razak today in promising adjustments to the 2016 Budget that will help the rakyat cope.

"This is the new scenario. I don't want to sugar coat it for the rakyat. I don't want to give a picture that does not describe the reality on the ground," he said in his speech announcing an upcoming budgetary revision.

He was addressing a special assembly of Finance Ministry staff at their complex in Putrajaya.

Explaining the move, Najib said Budget 2016 will have to be amended due to the unexpected economic downturn.

He cited the prolonged slump in oil and other commodity prices, a weakening Chinese economy, slow global trade and the rising dollar as factors that continued to chip away at the government's revenue.

Najib said the revision would be tabled soon, with more 'realistic' changes to suit the present economic situation.

He noted that the revision would include the roll out of more 'people economy' measures that will have 'high impact, low cost, rapid execution'.

The PM mentioned that this will be similar to previous people-friendly economic measures like the urban transformation programmes.

The premiere said that he is aiming to stabilise the Malaysian economy amidst the rough waters of 2016 and ensure that the cost of living for the rakyat won't skyrocket beyond their means.

Najib said that the additional measures will include optimising expenditures and the role of GLCs.

Yesterday, Najib had tweeted his earlier admonishment to his cabinet to be more thrifty by cutting costs and avoiding pomp and pageantry.

Today's announcement comes after Deputy Finance Minister Johari Abdul Ghani said on Dec 30 last year that the government will not make any revision to Budget 2016 despite declining oil prices.