

House divided over Budget 2011
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Two clear trends have emerged following Prime Minister Najib Abdul Razak's Budget 2011, which cost a record RM212 billion.

Government backbenchers see mega-projects, waivers and tax exemptions as a roadmap for the nation's ambitions to become a high income economy.

But opposition lawmakers cannot see policies that will resolve the country's many woes and has dismissed the "goodies" as a smokescreen in view of looming snap polls.

A selection of BN and Pakatan Rakyat MP's reactions on the budget speech follows:

Anwar Ibrahim, PKR-Permatang Pauh (opposition leader)

It is definitely an election budget, there is still no emphasis to assure the public of a new more transparent model... It still does not address issues such like the failure to attract foreign investments and it is still riddled with mega-projects that will only benefit cronies.

In my view it is a budget that focuses too much on the goodies without containing anything substantial.

Khairy Jamaluddin, BN-Rembau

Overall I'm very impressed because the prime minister had a fine balance between fiscal discipline, not wanting to worsen the budget deficit, and also trying to channel funds into programmes and projects which are beneficial to the rakyat.

There is a lot in there, not just rural development and infrastructure but also increasing the allowances of the village heads and religious teachers.

All these things will put money into the people's pocket and to be able to do that and yet reduce, albeit a marginally, the budget deficit. I think this is extremely commendable.

Charles Santiago, DAP-Klang

The budget is a joke. If you take a hard look at it, it's set to deliver the opposite of its theme: "Transformation towards a developed and high-income nation".

So where is the transformation of the budget? How does Malaysia move from middle income economy to high income economy, it's really spelled out. If you look at the introduction of the Budget, it's RM212.13 billion out of that 76 percent goes for (government) operating budget and 21 percent for development.

In any budget you must put money in development not in operating budget. So with 23 percent the multiplying effects of the economy is limited. How are you going to reach your

2020 high income economy when your development expenditure is so little?

It shows that 76 percent for operating expenditure shows that you are really inefficient. Its likely being spent on maintaining buildings and so forth.

I think that if you really want to move to the next level you need to look at skills training. Educate the working class and labour force. This is what we need.

If you look at Korea and Taiwan, their transformation did not take place in some research and development lab and out outside a factory. It took place in the premises of the factory itself and who did it? The technicians and engineers.

But the good parts of the Budget is the commission of the National Wage Consultative Body, where the multi-stakeholders play a part.

Dzulkefly Ahmad, PAS-Kuala Selangor

It is focussed on operating expenditure instead of development expenditure, Prime Minister Department getting over RM15 billion, a stark increase compared to last year.

Najib tried to appease almost everybody from the village heads, religious teachers to (his wife) Rosmah (Mansor's) Permata. It was crafted to appease almost all sections. I believe it is the last budget before general election. The budget has nothing solid but create feel good factors.

I don't see how the budget will attract foreign investment, how to inject confidence of investors? It lacks something concrete to reverse outflow of fund.

Mustapha Mohamed, International Trade and Industry Minister

The budget has allocated money of economic regions we see a lot of potential in. We know Iskandar for example has a lot of potential, it is attracting foreign and domestic investments from Singapore as well.

Although there is no direct mention of SMEs (small medium entrepreneurs), whatever that is being done for the big boys will have trickle down effect on those lower down so we are confident that as the economy grows, naturally this will also benefit the SMEs. It will have a direct impact on SMEs. The service sector, the restaurants, agriculture.

We have been progressively liberalising the conditions and this will certainly provide more investment opportunities. The bulk of the funds will still be invested locally and I think that's important.

It's a global world, we are part of the world economy, Asean is growing and a lot of potential so we should not shut our doors to opportunities which may arise overseas.

Sharizat Abdul Jalil, Women, Family and Community Development Minister

I think I am the happiest minister today. After being in the Cabinet for nine years, this budget has been the best one so far for the ministry. It opens up many opportunities for

women to work, even if they are at home.

The 90-day maternity leave is also something that we have been asking for and it is sufficient for the time being. The government acknowledges that women make up a substantial part of the work force and now it is up to women to seize the opportunity.

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