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Najib's 7th Budget to be pro-growth

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DRAWING on the people-centric theme, Prime Minister Datuk Seri Najib Razak will deliver his 2017 Budget this Friday with a strong focus on transforming the Malaysian economy while continuing to care especially for those in the Bottom 40 (B40).

This will be his seventh budget, and probably the most challenging, as finance minister given the cyclical global economic weaknesses, tighter government revenue stream and expectations of higher public spending.

So, it will be a tough balancing act between keeping a tight rein on expenditure, maintaining fiscal discipline and ensuring the economy grows at a reasonable rate.

His dilemma is how to rein in rising operating expenditure (it seems every ministry is seeking a higher budget) and find ways to raise government revenue in the face of lower oil revenue.

Still, a lot of attention will be given to the so-called B40 group — the poor and the low-income earners — to help cope with rising living costs.

The 1Malaysia People's Aid (BR1M) amount will be raised. Affordable housing programmes, too, will be accelerated.

There will be more investments in public transportation. Ahead of the Budget, Najib will deliver a major speech tomorrow in Kuala Lumpur to mark five years of the transformation of the country's public transportation.

Within five years, the Najib administration has transformed the taxi and stage bus services, expanded and modernised the LRT service and developed the country's first MRT service. The first MRT trains will operate in December this year.

The pace of this transformation has been described by the World Bank as "remarkable".

Najib may also announce a proposal to build a totally new railway link from Kuala Lumpur to Kota Baru via Kuantan. Sources said it will take just five hours from KL to Kota Baru by fast-train travelling at 150kph.

Najib's other legacies include the Kuala Lumpur-Singapore High-Speed Rail project — linking the two cities in just 90 minutes. The signing of the final agreement between the governments of Malaysia and Singapore will take place in December this year before the main construction work commences.