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'Govt won't shy away from unpopular decisions'

BUDGET 2017 is inclusive for all Malaysians and aims to ensure the economy and financial system stay healthy in the long term, said Datuk Seri Najib Tun Razak.

In a 138-minute speech, the Prime Minister outlined a budget that contained many measures to help ease the burdens of Malaysians.

But he made it clear that the Government would not shy away from making unpopular decisions if needed, to confront challenges facing the economy due to an uncertain global outlook and low commodity prices.

"This is a very committed budget which does not seek political popularity, but is instead to ensure strong and resilient economic fundamentals including policies on fiscal targets, spurring economic activities and a healthy long-term financial system."

Najib said Malaysia continued to have strong ratings by the three top global ratings agencies – Fitch, Moody's and Standard & Poor's.

He added that Fitch had rated Malaysia with "A-" which is higher compared with the Philippines (BBB-), Thailand (BBB+) and Vietnam (BB-).

"In fact, our rating is similar to that of advanced and larger economies such as the Republic of Korea (AA-), China (A+), Taiwan (A+), Japan (A). This means, bankruptcy is never in Malaysia's economic dictionary."

Najib was refuting allegations and misconceptions which he said had created fear among the rakyat, leading to public confusion over Malaysia's economic situation.

Topping the list was the "misconception and misperception" that the



Big day: Najib arriving at Parliament to table Budget 2017.

Government will go bankrupt.

Najib clarified that a government would be declared bankrupt only if it was unable to pay off its debt, but stated that this was not the case for Malaysia.

Budget 2017, added Najib, was drawn up based on five core princi-

ples, including a commitment to national integration, upholding the Constitution and laws, and cohesiveness in the Government.

Other principles include having a clear direction and upholding the Rukun Negara as the national ideology.

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Datuk Seri Najib Tun Razak

The Prime Minister also debunked the allegation that Malaysia was a failed state.

He said the term referred to a country that had failed to implement most of its responsibilities and basic functions of a government.

This includes the failure of police and armed forces to maintain security and public order; failure to pay the salary of civil servants; and hyperinflation.

"These characteristics do not exist in Malaysia and with the blessings of Allah, this Government will never allow our country to become a failed state."

Later in his speech, Najib touched on allegations made by the Opposition that Budget 2017 would be of "no substance" and that the Government has insufficient funds.

"In fact, an Opposition leader stated that Malaysia will face a difficult economic situation this year. Now, who is without substance," Najib asked, triggering a walkout by Opposition MPs, with the exception of those from PAS.

Watch the video
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