

Pemandu gives thumbs up to Budget 2012

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By Clara Chooi

KUALA LUMPUR, Oct 7 — The Performance Management and Delivery Unit (Pemandu) today heaped praise on Datuk Seri Najib Razak's Budget 2012, which saw the government pledge a series of cash handouts to Malaysians and roll out pump-priming initiatives.

Pemandu CEO Datuk Seri Idris Jala said it was "heartening" to note that despite global uncertainties, the country's GDP growth for 2012 was still expected to maintain at between five and six per cent.

The targeted improvement of the country's fiscal deficit to 4.7 per cent next year, a significant slide from this year's 5.4 per cent, would provide the economy with greater fiscal space to deal with contingencies, he added.

Jala said the development of the Johor Baru-Nusajaya coastal highway and the Samalaju water supply project would be catalysts for further domestic and foreign investments in education, tourism, wholesale, retail and electrical and electronics manufacturing in the country's five regional corridors.

Further, the Minister in the Prime Minister's Department said the proposed tax deduction on expenses incurred for sukuk wakala and the extension of income tax allowance for non-ringgit sukuk issuance would boost Kuala Lumpur's aim of becoming a global Islamic financial hub.

"In addition, the proposed listing of Felda Global Ventures Holding (FGVH) on Bursa Malaysia by mid-2012 will increase equity market liquidity," he said in a statement tonight.

In all, Jala said Budget 2012 had shown continued strong government support and allocation for the Najib administration's various transformation initiatives like the Government and Economic Transformation Programmes (GTP and ETP).

"They are also the forerunners to the National Transformation Policy 2011-2020 as announced by the prime minister this evening," he said.

Jala also praised the government for mooted the new cost of living NKRA (national key results areas) and said Budget 2012 offers focus to both short- and long-term measures on how to strengthen the production of main food commodities, improve the distribution chain via an additional 82 Kedai Rakyat 1Malaysia and 30 units of Agro Bazaar Kedai Rakyat and extend and promote menu Rakyat 1Malaysia to 3,000 operators by the end of 2012.

"This is supplemented by the one-off cash assistance of RM500 for households with monthly income of RM3,000 and below, schooling assistance of RM100 for all primary and secondary students from Year 1 to Form 5 as well as RM200 book voucher for all Malaysian students in public and private local institutions of higher learning, matriculation and Form 6 students," he said.

The proposed liberalisation of 17 service subsectors under Budget 2012 to allow 100 per

cent foreign equity participation, Jala added, would spur greater competition and higher standards.

In a separate statement, Syarikat Prasarana Negara Bhd group managing director Shahril Mokhtar said Budget 2012 was clearly an extension of the government's plan last year to accelerate economic growth through infrastructure and agriculture development.

"The 2012 Budget demonstrates the government's commitment to the strategic thrusts under the GTP. It is a well balanced budget that promotes equitable wealth distribution for the rakyat," he said.

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