

Budget 2012 'generous' but lacks long-term solution, say Malaysians
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KUALA LUMPUR, Oct 8 — Although few complained about the Najib administration's mass cash-handouts and housing aid, some Malaysians feel Budget 2012 fails to address and solve core national issues.

The ruling Barisan Nasional (BN) government proposed one-off cash handouts to low-income households and all primary and secondary school students nationwide, promising it'll reduce the impact of rising costs on Malaysians.

Those interviewed by The Malaysian Insider said that while Putrajaya was "generous" in offering financial aid for lower and middle income earning Malaysians through pay schemes and affordable housing, issues concerning unemployment and purchasing power are unaddressed.

"While there are a lot of good initiatives in Budget 2012, core concerns like unemployment has not been addressed.

Joshua Teh feels that those unemployed might not necessarily feel all the benefits of Budget 2012 — Picture by Jack Ooi

"The ones who are already earning, their lives are going to get relatively better. What happens if I am not earning? Will one-off cash handouts do the trick?" asked law graduate Joshua Teh.

The 25 year-old said the government had not addressed the issue of inflation, saying that he could not help but feel cynical about government aid for civil servants.

Likewise, 28-year-old Jennifer Tan, who works as a government pharmacist in Sibul, Sarawak, said the government should have had taken more effective measures in providing job opportunities for graduates.

"I feel sceptical about the government offering affordable housing to middle-income earners. There is some concern that these might not be located in strategic areas, plus they have not included this in Sabah and Sarawak," Tan told The Malaysian Insider.

While the announcement of one per cent increase of the contribution from employers to the Employees Provident Fund (EPF) might please many civil servants, Tan said the increase would not do "much difference" in light of increased costs in everyday life.

"Try living in the real world, its expensive. One per cent sounds good an all, but as it accumulates over the years, the value might not be as much in the future," she said.

Another civil servant, assistant medical officer Musrino Wasli lamented that next year's budget did not recognise the contribution of medical officers.

"We are thankful for the bonus and the other incentives announced but to address the

problems faced by most of 'Kumpulan Sokongan' we need more! And if you notice each and every year government seem to give more incentives to teachers, police n army! Medical staff? Are we not that important?" he asked.

Yasugeeyamal, 53, in the pensioner's Sri Pahang flat kitchen in Kuala Lumpur. — Picture by Jack Ooi

Pensioner A. Yasugeeyamal however felt that the government's budget plan was spot on- and that it successfully reached out to the lower-income group.

"It is a fantastic budget. The PM has recognised and taken efforts to help people in the lower-income category," said the 53 year old.

An estimated 1.3 million students in all private and local higher learning institutions would also receive book vouchers worth RM200, said Prime Minister Datuk Seri Najib Razak in his Budget 2012 speech. In the household cash assistance programme, the prime minister said the government planned to disburse RM500 to each household drawing monthly incomes below RM3,000.

He said the programme would cost the government an estimated RM1.8 billion and reach some 3.4 million Malaysians or 53 per cent of households in the country.

Others said that the cash-handouts signalled signs of early elections.

Core Fitness owner Sam Tan speaking from Kota Kinabalu.

"I don't think spending power is going up, wages are not going up unless the budget can help to increase spending power in the urban and rural areas. (I mean) wages to go up outside of the public sector. The government is employing too many workers and that is disturbing the balance," said Sam Tan, 23 who owns Core Fitness, a gym in Kota Kinabalu, Sabah.

Melissa, keeping her fingers crossed. — Picture by Jack Ooi

Public relations and communications graduate Melissa Francis Xavier believed that the incentives for next year's budget may not result in voters supporting BN.

"As far as I'm concerned, when someone want change means they really command for change so no matter what subsidy or handouts they give just to woo voters, maybe some of them will buy this but people like me won't really fall for it

"Maybe I'll take the benefit but that doesn't mean I'll vote for BN," she told The Malaysian Insider.

Datuk Gan Tack Kong, chairman of the Federation of Malaysian Manufacturers (FMM) for Perak said that there should be a cut in income and property taxes in Budget 2012.

"I agree (with analysts) that they are ambitious at thinking growth rate is sustainable at 5.5 per cent but fundamentally we are still very strong," he said.

Market analysts were sceptical about the prime minister's bullish growth projections amid global economic uncertainty.

Najib said in his Budget speech that Malaysia would be able to achieve economic growth of 5-6 per cent in 2012 and cut its fiscal deficit further as strong domestic demand and commodities exports could cushion the impact of a global downturn.

Kudat Umno Women's division chief Datin Aminah Ambrose said Budget 2012 was inclusive towards all age groups and gender — and that it was definitely an election budget.

"This budget has allocated more for the hardcore poor and women sector. I think it caters for the young and the students even for university students," she told The Malaysian Insider.

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