

**Budget 2012 Can Address Hardship Faced By Low-income Earners, Says Najib
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KUALA LUMPUR, Oct 3 (Bernama) -- The government's initiatives to be unveiled in Budget 2012 on Friday will help ease the cost of living of low-income earners, Prime Minister Datuk Seri Najib Tun Razak said Monday.

He said every initiative to be announced would be in line with the government's firm commitment to cut down the national fiscal deficit.

"I will explain the measures we are taking in my budget speech. Whatever programmes we do will be within the ambit of the government's affordability and our commitment to reduce the fiscal deficit," said Najib, who is also Finance Minister, when replying to a question from Dr Tan Seng Giaw (DAP-Kepong) in the Dewan Rakyat during question time.

Dr Tan wanted to know the measures taken by the government to strengthen the economy to tide over with the global economic slowdown and whether the country could still register the targeted six per cent economic growth this year.

Najib said the strategies to be unveiled would take into account the hardship faced by low-income earners with a view to help and protect them if a global economic recession occurred, triggering a hike in the cost of living and spiralling food prices.

The Prime Minister said the government would continue to implement various programmes and activities to help the low-income group like extending financial aid; subsidies; incentives; skills training; healthcare services; and housing.

As to the economic growth, Najib said the economy grew by 4.4 per cent in the first half of this year and a more rigorous growth momentum is on the cards in the second half of 2011.

He attributed the better performance to growing domestic demand, active inflow of investments (both foreign and domestic) and higher domestic spending.

"Consumer spending is expected to register strong growth following higher income earned from steady higher commodity prices and stable job prospects," he said.

Najib said the Economic Transformation Plan and the government's initiatives to woo foreign investments are also expected to fuel economic growth and ease the impact of the global economic uncertainties.

"The government will ensure the economy continues to remain strong and vibrant and at the same time undertake measures to ease the people's burden and broaden domestic spending," he said.

Najib also said foreign direct investments (FDIs) soared to RM21.2 billion between January and June as compared to RM12.1 billion in the same period last year and RM3.5 billion in the Jan-June period in 2009.

"The higher FDIs mirrored success of the government's strategies in wooing foreign and

domestic investments and minimise the impact of the outside world on our economy," he added.

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