

Perks in Budget
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Low-income earners to get subsidies, better healthcare and housing

KUALA LUMPUR: The 2012 Budget, to be tabled in Parliament on Friday, will focus on helping the low-income group adjust to the high cost of living.

Prime Minister Datuk Seri Najib Razak, who will table the Budget, gave a sneak preview of what was in store yesterday, saying the hardships faced by low-income earners would be taken into account in the government's plans for next year.

Replying to a question by Dr Tan Seng Giaw (DAP-Kepong) at the Dewan Rakyat yesterday, Najib indicated possible measures such as extending financial aid and subsidies, skills enhancement, and provisions for better healthcare and housing facilities for low-income earners.

At the same time, the government was also expected to keep to its schedule of trimming the nation's fiscal deficit.

"I will explain the measures we are taking on Friday. I will explain the programmes and the government's affordability and measures taken to reduce fiscal deficit," said Najib, who is also finance minister.

Dr Tan had asked the government to state measures taken to fortify Malaysia against the turmoils in the world economy.

Recent problems faced by Western economies have affected Malaysia, like it has other nations, although what has increased the cost of living the most has been the sharp rise in the price of oil.

Najib said the economy grew by 4.4 per cent in the first quarter of this year and was expected to grow further in the second half, given the improved domestic demand, higher domestic spending and higher inflow of investments.

"Consumer growth is expected to be one of the catalysts for strong growth. It is also because of steady income from higher commodity prices and more job opportunities." He said foreign direct investments went up to RM21.2 billion during the January-June period this year, compared with RM12.1 billion in the same period last year.

"It shows government strategies to improve the economy are working.

This will minimise the impact of the world economic slowdown on us." In an immediate response, civil servants and consumer groups said they were eagerly waiting for details.

Federation of Malaysian Consumers Associations president Datuk N. Marimuthu said: "It's good to have a concrete plan to deal with rising costs, especially if they can help in improving access for the poor in various areas, whether it be in education, healthcare or housing." He said the government should also elaborate on the mechanisms and efficacy of existing efforts, such as Kedai Rakyat 1Malaysia, aimed at reducing the burden of the urban poor.

"Good policies must be translated into clear action so that we know how they can benefit not just the target group but a whole chain of beneficiaries in the system." Congress of Unions of Employees in the Public and Civil Services (Cuepacs) president Datuk Omar Osman said he was confident the prime minister's commitment to help low-income earners would result in positive results.

"Low wages and rising costs have always been key issues for us. So we are happy to know that better policies and programmes will be in place, now that the PM has made these his focus. "



Prime Minister Datuk Seri Najib Razak tabling for first reading the motions to repeal the Restricted Residence Act 1993 and Banishment Act 1959 at the third meeting of the fourth Dewan Rakyat session which started yesterday. The meeting is being held at a temporary venue next to Parliament House. This picture was taken through a glass panel.

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