

Federal Government's Fiscal Deficit To Dwindle To 4.7 Percent This Year, Dewan Rakyat Told
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KUALA LUMPUR, April 5 (Bernama) -- The Federal Government's fiscal deficit is expected to dwindle to 4.7 per cent of the gross domestic product (GDP) this year, Deputy Finance Minister Donald Lim Siang Chai told the Dewan Rakyat today.

He said 4.7 per cent was a reasonable target given the Federal Government's prudent spending and increasing revenue.

"Fiscal consolidation efforts will be continued to bring down the fiscal deficit to less than three per cent in 2015 as was pronounced in the 10th Malaysia Plan," he said when replying to Taib Azamudden Md Taib (PAS-Baling) during question-and-answer session.

Taib Azamudden had queried on measures taken by the government to redeem the nation from continuing to be under a fiscal deficit.

In tandem with fiscal consolidation efforts and prudent spending, Lim said the fiscal deficit has been reduced from seven per cent in 2009 to 5.6 per cent in 2010 and five per cent last year.

He said several pro-active and pre-emptive measures have been taken to ensure efficient and productive spending to reduce the financial deficit.

Among the measures are reviewing subsidies to ensure they conformed to government policies, avoid wastage, reduce non-critical expenditures and emphasise "value for money", he said.

He said the Treasury practised transparency and efficiency in government procurements, including using electronic system, adopt open tenders, minimise government's involvement in economic activities and increase private sector investments.

Ministries and departments are encouraged to share government assets as part of cost-saving initiatives, he said.

Lim said the Federal Government's financial position would be closely monitored and controlled to avoid over-spending.

"The government is confident of managing its finances well besides ensuring high economic growth for the country and the people's well-being," he added.

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