

**PM: Government won't overspend**  
**TheStarOnline**  
**July 18, 2012**  
**By LEE YEN MUN**

PUTRAJAYA: The Government is committed to spending within its limits and to introduce incentives to propel financial growth for the country said Prime Minister Datuk Seri Najib Tun Razak.

"We cannot spend more than our income. It sounds so basic in logic but in practice, there are sovereign nations that are unable to adhere to this.

"We also cannot borrow to fund our operating expenditure this is another no-no.

"When this happens, it is among signs that we are going into a financial crisis," Najib said in his address at the Finance Ministry's excellence awards ceremony yesterday.

Najib, who is also the Finance Minister, acknowledged that there were signs of uncertainty in global economic growth and that there were slower recovery rates in advanced and emerging nations such as China and India.

However, the Prime Minister maintained that the Government had laid down clear policies and programmes, which will drive the nation to high-income status by year 2020.

He said the deficit trajectory for Malaysia has been on the decline in recent years and the Government aimed for a "satisfactory" economic growth rate of between 5% to 6% per year.

He also urged the Federal Treasury staff to demonstrate integrity and discipline in their work.

"As the Federal Treasury, we can have a few mistakes here and there but you cannot make fundamental mistakes," he said.

Copyright © 1995-2012 Star Publications (M) Bhd

Source:

<http://thestar.com.my/news/story.asp?file=/2012/7/18/nation/11683488&sec=nation>