

**Najib Tables 2013 Budget
Bernama
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KUALA LUMPUR, Sept 28 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak today tabled Budget 2013 in the Dewan Rakyat, his fifth as finance minister.

Clad in a green Baju Melayu, Najib began tabling the budget, themed "Prospering the Nation, Enhancing Wellbeing of the Rakyat: A Promise Fulfilled", at 4pm, and the event was carried live over the major radio and television stations.

With the 13th general election looming, Malaysians are eager to know what the budget has in store for them amid concerns over bread-and-butter issues affecting their quality of life.

The people are looking forward to the government addressing these issues while ensuring that the country's economic health remains in the pink against the backdrop of global economic uncertainties.

In the run-up to today's tabling of the budget, economists, politicians as well as the man in the street and everyone in between had been airing their views on what they thought Najib should include in the budget.

Najib had written in his blog that the budget had been produced after taking into consideration countless proposals from the people.

"Thanks to your input, this truly represents something made by the people, for the people - and I hope that my fellow Malaysians will see that from the issues that it addresses," he had written.

The Dewan Rakyat budget session started on Sept 24 and will end on Nov 27.

This budget is the last before the next general election as the government's mandate runs out on April 28, 2013. Najib can seek the dissolution of parliament anytime between now and the end of April.

Of the RM251.6 billion allocation, RM201.9 billion is for operating expenditure and RM49.7 billion, for development expenditure.

Najib said that federal government revenue collection in 2013 was expected to be RM208.6 billion compared with RM207.2 billion in 2012.

"Taking into account the estimated revenue and expenditure, the federal government fiscal deposit will further decline to four per cent of GDP in 2013 from 4.5 per cent in 2012.

"This reflects the government's commitment to continue reducing the fiscal deficit to a lower level," the prime minister said.

The government allocated RM232.8 billion under Budget 2012, comprising RM181.6 billion for operating expenditure and RM51.2 billion for development expenditure.

The five key areas of focus emphasised in Budget 2013 are boosting investment activity; strengthening education and training; inculcating innovation, increasing productivity; fiscal consolidation and enhancing the public service delivery; and enhancing the well-being of the rakyat.

Outlining the government's efforts to improve the well-being of the people, Najib announced several measures involving housing, crime reduction, eradication of corruption, narrowing the development gap between urban and rural areas, healthcare and aid for the people.

The prime minister announced the distribution of the 1Malaysia People's Aid (BR1M) for the second time, covering households earning up to RM3,000 per month but extended to include single unmarried individuals aged 21 and above earning not more than RM2,000 per month.

The households will get a one-off payment of RM500 while the single unmarried individuals will receive RM250.

This will benefit 4.3 million households and 2.7 million single unmarried individuals, involving an allocation of RM3 billion which would be paid out from early 2013.

In response to the people's complaint about high prices for houses, an allocation of RM1.9 billion had been set aside to build 123,000 houses, to be sold at reasonable prices, in strategic areas.

Najib said RM500 million would be spent under the 1Malaysia Housing Programme (PR1MA) to build 50,000 houses in major locations such as Kuala Lumpur, Shah Alam, Johor Baharu, Seremban and Kuantan with the selling price ranging from RM100,000 to RM400,000 per unit.

Under the People-Friendly Housing Programme, Syarikat Perumahan Negara Berhad will build a total of 21,000 houses priced at RM65,000 per unit in 2013 with a subsidy of RM20,000 as well as a two per cent subsidy on the loan interest rate.

My First Home Scheme will also be improved by increasing the income limit for individual loans from RM3,000 to RM5,000 per month or joint loans of husband and wife of up to RM10,000 per month.

In addition, the requirement of a savings record equivalent to three months instalment and minimum employment of six months will be abolished.

Najib also said that the Housing Loan Division in the Ministry of Finance would be restructured as part of efforts to consolidate the fiscal deficit and to ease the government's financial burden.

The prime minister also announced several initiatives for the younger generation, including discounts for consistent repayment of the National Higher Education Loan Fund (PTPTN) loans, continuation of the 1Malaysia Book Voucher Programme and rebate on the purchase of 3G mobile phones.

On PTPTN rebate, a discount of 20 per cent would be given to borrowers who make repayment of full loan within a year upon this announcement effective from Oct 1, 2012, until Sept 30, 2013, and a discount of 10 per cent per annum on repayment effective Oct 1, 2012 for those with consistent repayment of PTPTN loan in accordance to their repayment schedule.

The government will continue schooling assistance of RM100 for the benefit of 5.4 million primary and secondary students with an allocation of RM540 million commencing January 2013.

Najib also proposed that the existing tax relief on the children's higher education amounting to RM4,000 per person be increased to RM6,000 from the year of assessment 2013.

He brought good news to 1.4 million civil servants by announcing a bonus of one and half months salary, of which a half-month bonus was paid before Aidilfitri. Another half-month bonus will be given at the year-end and the remaining half-month in January 2013, he said, adding that a RM500 bonus would also be paid to government pensioners.

Najib announced an additional measure to assist potential haj pilgrims (muassasah) who contributed to the Employees Provident Fund (EPF) by allowing them to withdraw their savings from Account 2 to meet haj cost up to RM3,000.

The government proposed that individual tax rate be reduced by one per cent point from each group annual income tax exceeding RM2,500 up to RM50,000.

"This measure will remove 170,000 taxpayers from paying tax as well as provide savings on their tax payment," said Najib.

In strengthening education and training, Najib said RM38.7 billion would be allocated to the Ministry of Education for operating and development expenditure, accounting for 15 per cent of the total Budget 2013.

Najib said the government would allocate an additional RM500 million to enhance teaching skills in core subjects such as Bahasa Malaysia, English, Science and Mathematics.

He said the government would also launch the Graduate Employability Blueprint (GET) at the year-end in an effort to enhance graduate marketability.

In boosting domestic investment, Najib said the government had set up the Domestic Investment Strategic Fund worth RM1 billion under the Malaysian Investment Development Authority (MIDA) to leverage outsourcing activities and acquisition of technology by Malaysian companies.

Another RM1 billion will be provided under the SME Development Scheme to accelerate the growth of small and medium enterprise, and the expansion of industrial areas nationwide, he said, adding that the fund would be managed by the SME Bank.

In spurring the implementation of the 12 National Key Economic Areas (NKEAs), he said a sum of RM3 billion would be allocated for the implementation of entry point projects, including agriculture projects (RM1.5 billion) and the 'River of Life' (Sungai Klang beautification) project (RM500 million).

In conjunction with the Visit Malaysia Year 2013/2014, he said the government would allocate RM358 million to achieve the target of 26.8 million tourist arrivals.

Besides providing a living allowance of RM200 per month to fishermen, he said the government would also introduce the Padi Takaful Coverage Scheme which would benefit 170,000 farmers.

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