

Government To Announce Value-for-money Spending Initiative In Budget 2014
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KUALA LUMPUR, Sept 30 (Bernama) -- The government is expected to announce the implementation of value-for-money spending initiative for federal ministries in the Budget 2014 to be tabled on Oct 25.

Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said that the first phase of the initiative would involve four ministries, including Finance.

"We are looking at productive expenditure. In areas we think we should cut down, we will do so. But more importantly, in addition to doing so, we must spend wisely, with the expenditure based on the concept of value for money.

"That's why we are going to start introducing the initiative during this budget. Hopefully, by the Budget 2015, we can cover all the ministries," he told reporters after delivering the keynote address at the Khazanah Megatrend Forum 2013 here, Monday.

Husni said the government had prepared the first draft of the budget, but it took time to fine tune it.

"However, everything is in place. Our worries are the nation's worries. Growth in the second quarter was lower than targeted.

"We have done our revised projection and it appears, we should get the four per cent deficit for 2013 and next year, achieve the 3.5 per cent growth," he added.

Husni said the reason the government can achieve the four per cent deficit or even lower this year, is due to very significant revenue growth, mainly in tax collection.

"Next year, with the subsidy rationalisation and other measures, we should be able to achieve the 3.5 per cent deficit," he added.

Meanwhile, on the 1Malaysia People's Aid (BR1M) initiative, Husni said there would be an extra allocation for the twice-a-year give away.

"We want to stagger the spending for the BRIM. If we pay once, the spending will also for just one time. So, if we pay twice a year, the spending can be over two halves and that will be more helpful for the people," he added.

On talk that the subsidy for sugar may be reduced to cover the extra BR1M cost, Husni said:" That has not been decided. We will see to the overall needs of the people.

"When we draw up the budget we look at both income and expenditure. But in terms of expenditure, we are not just looking at a reduction, but also achieve high value for it."

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