

**I'm Prepared To Put The Nation's Interests Before My Own Popularity, Says Najib**  
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KUALA LUMPUR, March 7 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak has reiterated his commitment to the people to ensure a stronger and more prosperous Malaysia, saying that he is prepared to put the nation's long-term interests before his own short-term popularity to achieve these objectives.

Speaking at the National Economic Summit and Dialogue held here on Friday, Najib stressed that as Prime Minister, his ultimate responsibility was to protect the people of Malaysia.

He noted that leadership was about doing what was right, not what was easy, and that ducking decisions now would make Malaysia's development suffer.

"I am confident that the reforms (undertaken by the government) will work because our economic record speaks for itself," he said at the summit jointly organised by the Malaysian National News Agency (Bernama) and the Asian Strategy & Leadership Institute (ASLI).

Also present was Minister of Communications and Multimedia Datuk Seri Ahmad Shabery Cheek.

Vowing that he would never allow the country's progress, the people's wellbeing and sovereignty to come under threat, he said that was why the government had acted to keep Malaysia's finances under control.

The strengthened economy would ensure that the country remained on track to reach high income status and attain developed nation status, said Najib, who is also the Finance Minister.

These included implementing subsidy reforms which saw a reduction in payments for sugar and fuel, as well as a move from blanket subsidies to targeted support to help those who needed it most.

Taking the opportunity to speak directly to the rakyat, Najib explained at length about several key issues, including the vital need to implement targeted subsidies, efforts to fight corruption, the introduction of good and services tax (GST) and wooing foreign investments.

"If our economy is to continue to grow strongly, we need to not only cut unproductive spending, but also to broaden our revenue stream, allowing us to invest in the future.

"GST (to be introduced in April 2015) will enable us to increase our development spending. Instead of subsidies, we'll spend more money on productive investments -- on infrastructure, on schools,

and on healthcare," he said.

Elaborating, he said, when the cabinet approved the subsidy reforms, it was done on the back of strong recommendations from the Treasury, Bank Negara and the Economic Planning Unit.

Najib pointed out that he did not take the decision to reduce subsidies - or to introduce the GST - lightly.

"I thought long and hard about the risks, and the possible impact on the rakyat. But I judged that we had to act - to guarantee our future, security, independence and growth," the Prime Minister told the summit.

He said this was being done as Malaysia was on a journey with its sights set firmly on the destination -- the target of achieving high-income nation status and advanced economy status.

Najib, however, said the government was listening to the people's concerns, and would make adjustments to policies when needed.

"Governing is about taking decisions which are right for tomorrow, and not just for today. Failure to act now would be irresponsible," he said.

Noting that it would be easy for politicians to make cheap promises, offer people what they wanted and dealt with the consequences later, he drove home the point that "leadership is about doing what is right, not what is easy."

Najib pointed out the government's latest reforms had been welcomed by investors and ratings agencies as the budget deficit continued to fall, now at 3.9 per cent, lower than the target.

"We're on the way to a balanced budget by 2020 despite what some pundits are saying, Malaysia's economy continues to grow," he said, noting that the GDP was up 5.1 per cent in the last quarter, coupled with record trade as well as foreign investments.

Armed with strategic plans to keep the economy on track, he said, overall poverty had fallen 97 per cent over the past 30 years, with the country having seen the last of extreme poverty.

Since 1992, household income had tripled, he said, spelling a real difference to the prospects of ordinary people and the lives of the poorest in society.

However, Najib said, progress had come with a price in the form of rising subsidy bills for the government, which spent 15 per cent of the budget in 2010 on subsidies and incentives, mushrooming to 21.4 per cent or RM44 billion by 2012.

In 2009, the nation's budget deficit -- the gap between what was earned and what was spent -- was

six per cent, with the cost of subsidies being one of the factors driving up the deficit, Najib said.

However, a budget deficit by itself was not always a bad thing, he said, noting that being in deficit since the late 1990s had not stopped Malaysia from developing.

"And many successful countries, such as Japan, have high debts," he said.

Najib said behind the numbers, things were, in fact, getting better for Malaysian households, including in terms of wages which continued to rise.

"Last year's salaries grew on average by six per cent, much more than inflation, which was 2.1 per cent," he said as he highlighted that since 2009, Malaysia's gross domestic product had grown by an average of 5.7 per cent per year, and household income was 24 per cent higher.

To continue helping Malaysians with the cost of living, Najib said RM40 billion would be spent this year on food, fuel and education subsidies, and on support for lower income households.

He also mentioned that over the next five years, the quantum of the 1Malaysia People's Aid (BR1M) would be increased to RM1,200 to help cushion the blow of rising cost of living.

The government, on its part, was cutting electricity use by five per cent, trimming transport costs, as well as cutting entertainment budget for ministers.

Najib further said the government was ramping up the fight against the age-old problem of corruption, describing combating the scourge as one of his priorities.

"But we must be honest. We cannot click our fingers and make corruption disappear in a day, a month or a year. And so we must tackle corruption, reform subsidies, and introduce GST to make the budget balanced," he said.

The GST is a six per cent tax on goods and services that will replace the existing sales and services tax of 16 per cent.

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