

**Transcript Of The TV3 Interview With PM Najib
Bernama
April 9, 2015**

KUALA LUMPUR, April 9 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak today replied to questions on several issues raised by various quarters, including former prime minister Tun Dr Mahathir Mohamad.

Najib, while stressing that his priority was to the nation and people, answered all aspects of the criticisms, pertaining to the management of 1Malaysia Development Berhad (1MDB); implementation of the Goods and Services Tax (GST); 1Malaysia People's Aid (BR1M); the murder of Mongolian model Altantuya Shaariibuu; Sedition Act; Prevention of Terrorism Act (POTA) and the economic prospects of the country.

He expounded on the issues in an interview with Hamdan Ahmir on a special edition of the TV 'Soal Jawab' (Question & Answer) programme aired tonight.

Following is the transcript of the interview:

Hamdan's introduction: Of late, several quarters have criticised YAB Prime Minister over several issues pertaining to financial management and administration. In fact, there are those who have demanded the prime minister's resignation because they feel that UMNO and the Barisan Nasional will lose in the next general election if YAB remains the country's leader. To answer these questions, I hereby welcome the Prime Minister, Datuk Seri Najib Tun Razak.

Question: I wish to begin our session by expressing our sympathies to Datuk Seri and the staff in the Prime Minister's Office over the loss of Datuk Seri's dear friend Tan Sri Jamaluddin Jarjis and two senior officers very close to Datuk Seri, Datuk Azlin Alias and Datuk Mohd Poad (Jelani). How were you able to tide over this difficult period?

Najib: Of course, their loss is a tragedy to the Prime Minister's Office, even more so for me and, of course, for their families and friends. In the context of the national administration, the late Tan Sri Jamaluddin Jarjis had made a huge contribution in various capacities in the country and abroad.

The late Datuk Azlin, in the administration of my office, had discharged his duties with efficiency and trust. It is the same in the case of Datuk Poad; as my private secretary he had served well.

While I am saddened by their loss, I am more determined than ever to discharge my duties in leading our country towards realising all dreams and ideals and the country's vision.

Question: We find, Datuk Seri, that the government has made a revaluation in terms of national economic development as a result of the pressures faced globally. In economic terms, how do you view the efforts carried out so far in strengthening the national

economy to a higher level.

Najib: Indeed the revaluation was most appropriate following the drastic collapse in the oil price; the price dropped to half of what it was before. Of course, any oil-producing country would have to make adjustments to the country's fiscal position, so that more proactive measures would guarantee that the national economic fundamentals are still strong.

This is what I want to emphasise. Although oil prices fell, the fundamentals of our national economy has remained intact and we could still achieve a moderately high growth rate.

We could still attract investments, we could still implement national transformation programmes, and we could continue to ensure that Malaysians are taken care of.

Question: We find many welcomed the efforts made by the government in terms of stabilising the economy. On the other hand, Datuk Seri, there are certain parties apparently not satisfied with the way you run the administration as the prime minister.

I would like to focus on the criticisms made lately by former Prime Minister Tun Dr Mahathir Mohamad on your leadership. How do you view these criticisms?

Najib: I remain respectful of Tun Dr Mahathir as how I respect the other people of Malaysia. I am open to criticism from anyone against my leadership, my administration.

I hope the criticisms were made with prudence and responsibility. I delve into and I consider the validity of every criticism. But I have to stress that in the end, as the prime minister, I have to make the decision, and as Umno president, and I am responsible to Malaysians and to the party. That is what I want to emphasise.

Whatever the individual opinion, in the end, I will be responsible to the people and the party.

Question: Let's take the example of the introduction of the GST (Goods and Services Tax) on April 1. Some quarters feel that the timing of the GST introduction was inappropriate considering that the people were feeling the effects of the world economy on Malaysia. What is your comment, Datuk Seri?

Najib: Actually, there is no such thing as a suitable time to introduce the GST. Overall, among the factors said to be in the government's favour in the introduction of the GST is the drop in the oil price.

When the price of oil drops, it means that the prices of petrol and diesel are lower than before. Firstly, the people benefit from the drop in the world oil price. Secondly, the government had long prepared for it.

The GST has been mulled since the 1980s. It is not new. So, in macro terms, the timing is right because the government needs additional sources of funds as the dividends from

Petronas will decrease due to the drop in the oil price.

Therefore, it is most appropriate that we introduce it (GST) now, and we have also zero-rated or exempted many essential goods from the tax. More than 4,000. Never has any other country done this, and this is not a supplementary tax.

It replaces the service and sales tax. Besides, we have increased the payments under the 1Malaysia People's Aid (BR1M). We have also reduced personal tax by between one and three per cent. And, we have also reduced the corporate tax, by one per cent. So, the package, overall, does not burden the people.

We want to ensure its implementation, that is the basis. Implementation in terms of enforcement. If some quarters complain, it is not because of the introduction of the GST. These are the opportunist traders; the irresponsible traders, not all traders.

Some (traders) have announced they will not raise prices, some have said prices will be reduced. For example, the prices of vehicles are lowered. Supermarket chains such as Mydin are retaining their prices, some textile shops said they will absorb the GST, and so on.

So, we want the enforcement authorities to act against the irresponsible traders.

Question: We know that essential items are exempted from the GST. But there are also people who question that when they go to eateries, Malaysian food like 'nasi lemak' or 'roti canai' with 'teh tarik' are also subjected to the tax.

If we buy tomato ketchup, for example, GST will be imposed. So they ask how the GST will not burden them. Eating out everyday at the coffee shop is subjected to GST.

Najib: If they are not supposed to charge GST, please report to the ministry of domestic trade. Here lies the power of the consumer. We must know that we have the power.

Firstly, we could choose any shop to buy goods or go to any eatery, we could choose. The irresponsible traders are the ones who raise prices unnecessarily, and then blame the government.

Don't go to these shops. There are many other shops. Other alternative shops. Secondly, we must report to the ministry and the customs. So use our power as consumers. Sooner or later, those who exploit this situation, will lose their buyers.

Question: I want to relate between BR1M and GST, as pointed out by Tun Dr Mahathir that the timing is not right, but it may not necessarily be correct. It is not suitable to implement the GST and the BR1M handout is not an effective measure to be taken by the government.

Najib: BR1M is not a handout. BR1M is actually a social safety net that was proposed by the Fiscal Committee, not me. The Fiscal Committee consists of government departments,

including the Bank Negara, EPU (Economic Planning Unit), Finance Ministry and the like. When they had discussions, at first it was because we wanted to reduce the bulk subsidy.

It means that we want to reduce the oil subsidy because there are many leakages. Much wastage. Many people who don't deserve subsidies benefit from them. So we said, we reduce. But we have to reduce in stages.

If we reduce, we save government expenditure. When we save, part of the savings are distributed back to the people. So, if the people have to pay more for petrol, it offsets BR1M for those earning RM3,000 and below. Now we add a bit to RM4,000, but RM3,000 and below has countervailing. So that's actually the philosophy.

The social safety net system is not practised only in Malaysia. Many other countries practise the system in various ways.

Question: Coming back to the criticism of Tun Mahathir, he had mentioned the case of (the late Mongolian model) Altantuya Shaariibuu. We all concur that the court had decided in this case ... it is past. But a criticism has surfaced from Tun Mahathir who asked who had ordered the police officers involved to kill Altantuya. It is weird because the case is over. Were you involved in this?

Najib: This thing happened in 2008 ... a long time ago. Actually, I have recited the oath, Wallahi Wabillahi Watallahi, thrice, including at a mosque in Permatang Pauh in 2008 ... that I had not known Altantuya and I was not at all involved, directly or indirectly. And the police conducted an investigation. And, at that time, Pak Lah (Tun Abdullah Ahmad Badawi), as the prime minister, had reported, and the Inspector-General of Police had issued a statement saying that I was not involved.

And there is no proof at all, whatsoever, that I had known Altantuya. None at all ... no photographs, no documents, no witnesses and what not. The case went through the courts up to the Federal Court. Are we going to question the integrity of the courts which we had safeguarded for so long?

Question: It is understood that you, Datuk Seri, have met with Tun Dr Mahathir on several issues. Did he ask you about the Altantuya case?

Najib: Not directly, but we did discuss it at one time. During the discussion, I noticed that he did not ask whether I was involved in the Altantuya case. And I assumed that the matter did not arise at all. When I had my discussion with Tun Dr Mahathir, I showed my respect for him. For example, although I am the prime minister, I went to his residence rather than insisting that he come to mine. Nevertheless, whatever it is that we discussed, I had to decide as the prime minister.

Question: He (Tun Dr Mahathir) understood when you met him and gave an explanation but why is the matter being raised again?

Najib: He has one or two things that he wants me to do. But I have given my views on the matter. For example, he does not agree with BR1M; he asked me to build a crooked bridge to replace the Causeway. I have given my views on these.

I regard this as a discussion between two individuals ... it is quite healthy if there is a difference of opinion but, regardless, in the end I have to be responsible to the people and party. And most of these matters, I bring to the Cabinet and the Cabinet decides.

Question: Datuk Seri, I want to switch over to the question of 1MDB. The claim by certain quarters that the 1MDB transactions are master-minded by certain personalities is most doubtful. What is your comment?

Najib: I want to clarify that 1MDB is a body which we regard as an investment company. With a start-up capital of only RM1 million compared to PNB, Khazanah and other bodies to which we gave numerous capital injections. But for 1MDB, only RM1 million.

MDB was forced to borrow when it wanted to expand its business, but the assets obtained by 1MDB had exceeded liability. This I want to stress ... exceeding liability. We need to give time to 1MDB to develop or liquify these assets so that it can settle its loans. We can question the business model; I am prepared to listen to differing views but I want to stress here that I don't condone, I cannot accept any abuse of power in 1MDB. For example, money being dissipated ... and so on.

As such, when Dllloyd, as the auditor, verified its audit, I was still not satisfied. I proposed to the Cabinet for the Auditor-General to conduct a review. And after the Auditor-General had done so, I asked PAC (Public Accounts Committee) to scrutinise. There are opposition party representatives in the PAC; they can discuss the audit report.

What I want to say is, let the process go through its course ... give it time. If we prosecute, there is a lot of difference if we say the money has disappeared or was borrowed, reserved. I also asked the Auditor-General to verify if 1MDB funds were used to make a film, for example. I want to know and these are among the things which must be determined by the Auditor-General and must be verified or otherwise by the PAC.

Question: Was there a time frame given?

Najib: We did not give a time frame but they must do it as soon as possible. A thorough investigation as soon as possible because I want the people to know; I had given the assurance that in 1MDB dealings if there is any misuse of power, we will not shield anyone.

Question: There were also people asking why the money that was transferred from Cayman Islands to Singapore was not brought back to Malaysia. Why Datuk Seri?

Najib: Firstly, the money was not from Cayman Islands. Cayman Islands was just for the registration. Many companies, 200 Malaysian companies, have a Cayman Islands account. Nothing wrong in having a Cayman Islands account. They keep the money abroad because

they have debts abroad. Instead of bringing the money back to Malaysia, it is better for them to keep it outside because they can earn from the forex (foreign exchange) etc. Time will be the determining factor but, at a certain time, the money will be brought back to Malaysia.

Question: So, there are no Bank Negara conditions related to bringing back the money to Malaysia? Najib: Ours is a free market system. Whatever we want to do has to be with the verification of Bank Negara. So, Bank Negara is aware of the movement of funds and so on.

Question: Datuk Seri, have you ever explained the 1MDB issue to Tun Dr Mahathir?

Najib: I did not tell him directly because he did not raise it directly with me. But I am aware that the 1MDB board of directors and chief executive met him to explain the situation.

Question: Have you asked the 1MDB management to be more transparent in its future transactions so that the people could be properly informed?

Najib: Yes, with the restructuring of the 1MDB management, I hope so. Like when we announced the rationalisation programme ... we are now implementing the 1MDB rationalisation measures. We need a little time but the plan has been prepared and we are in the implementation stage.

Question: Just now you mentioned on a film alleged to be by 1MDB. Why did you raise the matter? What are the implications?

Najib: Because there were such allegations. I do not want to defend anything because it involves a family member but I want the auditor-general to verify this.

Question: I would like to switch to the Sedition Act. At one time, Datuk Seri, you had stated that there would be a possibility of the Sedition Act being reviewed. However, recently, it was decided that the Sedition Act will be retained. So, many have criticised Datuk Seri on the inconsistent decision. What is your take on this Datuk Seri?

Najib: Actually, when I said the Sedition Act will be reviewed it did not mean that the provisions deemed seditious will not be included in the new act. Only the name, Sedition Act, can be considered controversial because the origin of 'sedition' is linked to previous events. So, we want to see it in a more positive light.

It is like water in a glass. Half empty or half full. That's it. But I realise our country is a multi-racial and multi-religious nation; we must have laws that restrict and suppress anyone who can make claims, statements and any news in magazines, articles and so on that can incite the people, hate the people to the point of causing riots, conflicts and unrest.

And this protects all races, all faiths, not only Muslims and Malays but also non-Muslims and non-Malays, so that our country is peaceful. If we do not touch on religion, do not insult other religions, do not question the citizenship of others, do not say that a person is an

immigrant and so on, our country will be peaceful.

This does not mean that we cannot criticise the government because in the amendments to the Act, we said the provision on criticising the government has been abolished. Previously, for instance, we prosecuted anyone who criticised the government because there was a provision in the Sedition Act. In the amendment to the Act, we abolished it. They can criticise the government. But criticising the government does not mean they can incite people to overthrow the government through demonstrations, for example. That is wrong. But if anyone says to change the government during an election, that is not wrong.

So, this is going to be practised in our country, a democratic system which is healthy and responsible. As the prime minister, my responsibility is to maintain the peace and security of our country. Without peace and national security, we will be at a disadvantage.

Question: There are also the opposition who believe that the act is actually to trap them. Is this true?

Najib: Not true. The opposition can say what they like, they can criticise the government, they can say that the government is not good, want to change the government during the election, they can say anything. Surely this is democracy.

What we don't want is when they exploit religious and racial matters which incite the people. If they incite the people, the people will get angry, conflict arises, in the end racial riots will occur, between the various religions and so on. Who will suffer? People will suffer. So this is what we want to avoid.

Question: The Sedition Act may prevent certain problems from cropping up in the country. But now comes the latest threat to the country, namely the IS threats. So how do you see the government will handle this matter from prolonging?

Najib: That is why we introduce this new act. So that we can act with new powers. But it is dedicated to violent extremism. Terrorists are using violence, they will be using violence. I know that the issue is preventive detention, there is the element of preventive detention. But it cannot be equated with the ISA because the power to detain lies with a special body consisting of perhaps a judge or former judge, a person with credibility. Not the power granted to the executive body.

So if we want to detain somebody, we must provide the evidence to convince them to make a decision. If we wait for an incident to occur, say a bomb has been detonated, the effect must be powerful, the implications are bad. So before anything happens, we take action under this new act but we must have enough evidence. For example, we already know they have the bomb, want to make a bomb, just waiting for the right time, (they) want to act, then we can take action under the new act.

Question: Datuk Seri, in handling the hot issues lately, many affecting the government, criticising the government and so on, how is the support from members of the Cabinet and

also the Barisan Nasional component parties and UMNO itself?

Najib: Alhamdulillah (praise be to God), so far the support has been very good. Many have made statements openly, among them members of the Cabinet, component parties, division heads, members of parliament, etc. Earlier this evening, Wanita UMNO issued a statement, and so on. So, I see that the party is with me, behind me to continue to lead the party and the country. But, as I said, I can accept criticisms. But, ultimately, I am not responsible to any individual, I am responsible to Malaysians and the party.

Question: How about Tun Dr Mahathir's view that if you continue to lead the country, UMNO and the Barisan Nasional will be defeated in the next general election?

Najib: That is Tun Dr Mahathir's personal opinion. What we in the party feel is that the success of UMNO and the BN depends on our strength. Our strength will only translate into success if we are united in the party. If we are united and do not fight one another, there is no element of sabotage and so on, I am confident that we will win in the coming GE14.

Question: But these criticisms seem to continue, Datuk Seri. How do you keep on moving forward with the criticisms which do not seem to stop and may never end?

Najib: The criticisms this time are more than usual, more intense than usual. But I have to accept the political ups and downs which, under all circumstances, will not be peaceful and comfortable all the time. I take the criticisms, no matter how painful. But the main thing is I am accountable to the people and the party. As long as the people and the party give me the mandate, the trust, I will continue to lead the country and party. Question: Some are of the opinion that the obvious project of the government is BR1M. It seems there are those who believe there are actually no other projects that are really beneficial to the people. Are these claims true?

Najib: No. If we see the achievement of our country, we start by looking at the micro data, for example; if we look at the growth rate of last year, we achieved a growth rate of six per cent, among the highest in Southeast Asia.

Secondly, if we look in terms of gross national income (GNI), it increased by 47 per cent between 2009 and 2014. This is a very high increase in GNI. The poverty rate, for example, is now just one per cent.

We have created 1.5 million jobs, for instance, and we have given the opportunity to many to achieve the grade and achieve middle class status and so on. If we look at the situation on the ground and the actual situation, supply of fuel, electricity, roads, especially for Sabah and Sarawak, we have done a lot. We have also implement many 1Azam programmes, entrepreneurial training, assistance to SMEs and the like for traders and so on.

We have done a lot. We have recorded all these, we have documented them in brochures, newspapers and so on. So, to say that we have not accomplished much is not true.

Actually, we have carried out many projects, including the MRT. Lately, I launched the much-awaited Pan Borneo Highway which the people of Sarawak had wanted for 50 years. The project implementation begins today.

Overall, we can see that many changes have taken place in Malaysia. Question: The people's housing project?

Najib: Many, yes, including the people's housing project. Yesterday, I launched a housing project for civil servants. Some 1,500 civil servants will receive affordable houses.

We have pledged to build one million affordable houses in a span of five years. All these are a commitment of the government that we are implementing.

Question: Are you satisfied with the ongoing reconstruction of the houses for the flood victims in Kelantan? Najib: I feel we can do much more. I am not that satisfied, actually. I feel, it must be stepped up.

I hope the cooperation between the federal government and state government should be strengthened, especially in the provision of land because land comes under the jurisdiction of the state government. If we have land, and there is financial allocation, we can have new houses built. Question: This is your sixth year as the prime minister. Moving forward, what is your next plan for Malaysia?

Najib: Moving forward, we have explained to and shown the people (the plan). By 2020, we want Malaysia to rise as an advanced economy, a developed country. We know that when Malaysia becomes a developed country, not all citizens will feel they are part of the advanced economy because we are using the average income as the benchmark. Some will not feel a great impact, especially if the prices of rubber and oil palm are still low. We have to look at how to raise their income.

I will look at the 11th Malaysian Plan, at what can we include as additional programmes, such as skills training, technical training and entrepreneurship. We have to focus on these as they can have a great impact on the people's income. After 2020, we will have a relook. But our immediate goal for the upcoming five years would be to realise the vision of the country.

Question: Are you satisfied with the steps that have been taken towards realising Tun Dr Mahathir's Vision 2020?

Najib: I'm confident (we can achieve Vision 2020) if we can maintain our economic growth at five per cent every year. If we look at the per capita income, we can be a developed country by 2020. But I realise that this is calculated on average income. We must note that there are groups earning income below average that might feel they are not part of a developed country. This is what have to focus on. Question: There are quarters that feel that the criticisms, especially from Tun Dr Mahathir, will not cease. How do you propose to counter these in our march towards realising Vision 2020? Will it have an impact on you as

the leader of the country?

Najib: I feel what I need to do is to continue with my attitude. What I mean is my open attitude. I will ponder every criticism and determine whether there are shortcomings in my administration. I did not say that I do not make mistakes. I admit that every human being is not perfect. Human beings make mistakes. So, it means that I am ready and serious about making improvements. But if I feel that what I do receives support from the party and the people, I will continue with my policies and decisions. The fact is that the direction of the country is not determined by any individual, but by the people and the party.

Question: So, your position as a party leader is determined by your party members?

Najib: Party members and the people decide. There are two processes. The party will decide between elections. During an election, the people will decide.

Question: I want to ask you, Datuk Seri, how do you divide your time, in terms of weightage, between family and national interests? How do you strike a balance?

Najib: Every individual has his or her own way. But when you are the prime minister, the private time for yourself and your family is very limited. But I try to strike a balance between work for the party, for the people and the government. If I have extra time, I will try to be with my family, and exercise, since that is important. And our duty towards Allah, we must fulfill.

Question: Datuk Seri, what is your wish for party members and the people, as a whole, in order for us to rise from this crisis?

Najib: For me, we have to see what is important. To me, the important thing is the big picture. What is important is our future, our direction. We should not allow certain issues to be highlighted as though our economy is collapsing, or that we are having problems to the point that they cannot be resolved. This is not true at all. We must be confident that we are heading in the right and positive direction. And at the same, we improve on our weaknesses. There is no government in the world that is perfect; there will be weaknesses. Tun Dr Mahathir's era was not perfect either, nor is my era. But we must know that we are open, we improve the situation, so that tomorrow will be better than today.

Question: What about any other hope?

Najib: It is also my hope for the people to be together with the government that we have today. Maybe not all, but let it be the majority. Because we have inherited a country that has a very bright future. Whichever country that I visit, people look up to Malaysia as a model. Let us not politicise the current situation to the extent that we jeopardise national interests. Politics cannot overcome national interests.

We may differ in terms of opinion, that is not a problem. As long as we adopt good ways, in a prudent manner, and with responsibility, Malaysia's future, Inshaallah (God willing), will

be secure.

-- BERNAMA

Copyright © 2015 BERNAMA

Source : <http://www.bernama.com/bernama/v8/newsindex.php?id=1124810>