

Government's Prudent Management Of Expenditure For Rakyat's Well-Being
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KUALA LUMPUR, Oct 23 (Bernama) -- The government has prudently managed expenditure by channelling allocations towards strengthening economic growth to create a conducive environment for businesses and prioritise the rakyat's (people's) well-being.

According to the Economic Report 2015/2016, the government managed the fiscal allocation in a more prudent and cost-effective manner, by considering the slower revenue growth this year. In this regard, expenditures are being reprioritised towards programmes and projects with larger multiplier effects to support consumption and enhance future productive capacity.

According to the report, total expenditure is estimated to increase moderately by 0.6 per cent to RM260.7 billion, compared to RM259.1 billion in 2014, while its share to the Gross Domestic Product (GDP) is anticipated to decline to 22.5 per cent, as compared to 23.4 per cent in 2014.

In the report, a sum of RM213.3 billion is allocated for operating expenditure, while the balance of RM47.4 billion is for development expenditure.

The operating expenditure included:

- * Supplies and services worth RM36.6 billion;
 - * Subsidies (RM26.2 billion);
 - * Debt service charges consist of coupon and interest payments; management charges and fees (RM 24.4 billion);
 - * Retirement charges consist of pension payments, gratuities and transfer to Retirement Fund Incorporated (RM18.2 billion);
 - * Grants to statutory bodies (RM15.7 billion);
 - * Allocation for state governments (RM7.4 billion)
- The development expenditure includes:
- * economic sector worth RM28.3 billion
 - * social sector (RM12.5 bilion)
 - * security sector (RM4.9 bilion)
 - * general administration sector (RM1.7 bilion).

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