

## **Najib Slams People Confusing Public over Cost Of Living**

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KUALA LUMPUR, Dec 18 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak today hit out at those people who confuse the public on purpose over the cause for the increase in the prices of goods and services.

He said these people attempted to put the blame solely on the government when it was trying hard to find ways to control the prices of goods that were rising due to external factors.

"For instance, the government recently announced special discounts for public transportation," he said in a podcast published on his blog [www.najibrazak.com](http://www.najibrazak.com) today.

At the same time, he said, the government was also studying necessary suitable measures that could be taken.

Najib also said that though the government was trying its best to find ways to reduce the burden on the public, it was important for the people to know the actual cause for the increase in the prices of goods and services.

Najib said external factors were foremost in exerting pressure on the national economy following the drop in world crude oil prices.

"When the prices of world crude oil fall, the government's revenue drops. In this context, it is expected to decrease by more than RM30 billion next year.

"So, it is difficult for the government to intervene, such as by increasing subsidies," he said, citing the analogy of an individual with a reduced income having to put up with restricted spending.

The same was true in the case of the government, he said, explaining that its spending would be restricted when national revenue dropped.

The prime minister said that secondly, resulting from the reduced national revenue, investors would sell the ringgit to invest in countries unaffected by the drop in oil prices.

He said this would cause the value of the ringgit to contract and result in the prices of imported goods to rise.

"If you observe, the trend of our ringgit is almost similar to the trend of the oil prices," he added.

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