

By : **DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
PERDANA MENTERI MALAYSIA**

Venue : **Dewan Serbaguna, Kementerian Kewangan, Putrajaya**

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Title : **MAJLIS KONSULTASI BAJET 2014**

1. Selamat datang ke Majlis Konsultasi Bajet 2014. Bersyukur ke hadrat Allah SWT kerana dengan keizinan dan kurnia-Nya jua, kita dapat bertemu dalam Majlis ini. Di sini saya ingin merakamkan penghargaan kepada semua pihak termasuk para hadirin sekalian yang berada di dalam dewan ini dan juga kepada semua yang telah mengemukakan memorandum dan cadangan yang bernas dan realistik.

Para Hadirin Sekalian,

2. Kerajaan sentiasa mengamalkan sikap terbuka dalam menerima segala pandangan dan cadangan sebagai input bagi penyediaan Bajet 2014. Justeru, Majlis seumpama ini merupakan satu platform interaksi yang amat penting antara sektor swasta dengan Kerajaan. Kita perlu saling berbincang, bertukar pandangan dan idea serta mencadangkan langkah-langkah yang sesuai bagi memastikan pertumbuhan ekonomi terus kukuh demi menjamin kesejahteraan rakyat. Inilah dasar keterbukaan dan keprihatinan Kerajaan dalam mendahulukan kepentingan rakyat. Kerajaan juga sentiasa berusaha dalam memudahcara sektor perniagaan dengan menyediakan persekitaran yang lebih kondusif. Saya yakin Majlis seumpama ini dapat menjana idea baharu bagi merencanakan lagi usaha-usaha transformasi untuk menjamin kemakmuran negara dan kesejahteraan rakyat.

3. Setiap isu yang dibangkitkan dan cadangan yang dikemukakan akan diberi pertimbangan sewajarnya sebagai input penyediaan Bajet 2014. Untuk makluman para hadirin sekalian, Bajet 2014 dijadual dibentangkan di Parlimen pada 25 Oktober 2013.

Ladies and gentlemen,

4. This year's budget is of great significance to the Government that has been given a new mandate to fulfill the aspirations of the rakyat. Thus, I believe we have to be relentless in our efforts in accelerating the transformation process towards becoming a developed and high income nation by 2020, though the progress so far has been commendable. In this regard, we should work together as a team in the spirit of 1Malaysia to generate greater prosperity and enhance the well-being of the rakyat.

Ladies and gentlemen,

5. As we aspire to attain greater heights as a nation, we are also mindful of the global economic environment that may affect our progress. As an active trading nation, we are bound to be affected by the current moderating global economic growth. However, the Malaysian economy still grew by 4.1 percent in the first quarter of 2013 supported by resilient domestic demand, particularly due to continuous strong private investment which registered a double-digit growth of 10.9%. The strong investors' confidence was further

reflected by the bullish performance of the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) which recorded new highs after the 13th General Election.

6. Over the last few years, we have witnessed significant diversification of the economy. As a result, income and employment have been supported by domestic-oriented sectors, offsetting the decline in external demand, particularly during the first quarter of 2013. This was in part, due to continuous efforts in structural reforms, strong banking system and sound economic policies.

7. The government has undertaken several initiatives to further enhance the business environment. The efforts have been globally recognised as reflected by Malaysia's ranking which improved to the 12th position from 18th in the 2013 World Bank's Doing Business Report. In addition, the AT Kearney's Foreign Direct Investment Confidence Index for Malaysia has improved significantly from 21st to 10th.

Ladies and gentlemen,

8. The Government is cognisant of the challenges confronting the economy; among others, for instance, the development of potential growth sectors especially in services; *secondly*, upgrading of human capital and talent management particularly for women and youth as well as managing fiscal reform. These areas of concern need to be addressed appropriately to ensure sustainable and inclusive growth.

9. In this regard, the Government has taken various initiatives to enhance the nation's competitiveness through promotion of innovative and high value-added economic activities. On its part, the Government has introduced reform initiatives, particularly in liberalising the services subsectors since 2009. Given the many initiatives already in place, I would like to urge the private sector to avail themselves of the opportunities to invest and innovate in the services sector. With your active participation, we hope to achieve the targeted investment of RM44.6 billion for the services sector under the Tenth Malaysian Plan.

Ladies and gentlemen,

10. Malaysia has a relatively young population. Hence, youths have a prominent role to play in shaping the future of the nation. This requires the Government to invest substantially on youth development, particularly in education and skills training. Youths today are more educated, ICT-savvy, and are well-connected to social networking through blogging, Facebook and Twitter, where accurate and inaccurate information are spread rapidly. They also expect more opportunities in terms of tertiary education, jobs, entrepreneurship and affordable home-ownership. In addition, they want their voice to be heard. The Government is mindful of this new trend and has already established the 1Malaysia For Youth (1M4U) programme to provide a common platform for youth to inculcate leadership and volunteerism in nation building.

Ladies and gentleman,

11. Talking about improving the Government's financial position always draws healthy skepticism from various quarters. Let me reiterate that we will work towards reducing the fiscal deficit further, from 4.5% of GDP last year to 4% this year. Our aim is to meet the medium-term fiscal target of around 3% of GDP by 2015 without jeopardizing the growth

momentum of the domestic economy and on-going fiscal support for transformation initiatives. This will be achieved through a judicious mix of prudent but productive spending, and strengthening revenue enhancement measures.

Ladies and gentleman,

12. We have received 96 memorandums covering a wide spectrum of macro, sectoral and social issues. I sincerely thank you for your submissions and participation in this Budget Consultation. Nevertheless, the consultation is a continuous process to be followed by a series of focus group meetings in the coming months.

Ladies and gentleman,

13. The theme for this year's Budget Consultation is "Fulfilling Promises, Accelerating Transformation" or "Mengotakan Janji, Merencanakan Transformasi". Let us work together in delivering our promises to the rakyat and I look forward to a frank and fruitful discussion today.