

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

Venue : **DEWAN SERBAGUNA, PERBENDAHARAAN, KEMENTERIAN  
KEWANGAN, PUTRAJAYA**

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Title : **KONSULTASI BELANJAWAN 2012**

**Bismillahirrahmanirrahim.**

**Assalamualaikum Warahmatullahi Wabarakatuh dan Salam 1 Malaysia.**

**Yang Berhormat Dato' Seri Ahmad Husni Hanadzlah;**  
Menteri Kewangan Kedua,

**Yang Berhormat Senator Dato' Dr. Awang Adek Hussin;**  
Timbalan Menteri Kewangan,

**Yang Berhormat Senator Dato' Ir. Donald Lim Siang Chai;**  
Timbalan Menteri Kewangan,

**Yang Berbahagia Tan Sri Mohd Sidek Hassan;**  
Ketua Setiausaha Negara,

**Yang Berbahagia Tan Sri Dr. Wan Abdul Aziz Wan Abdullah;**  
Ketua Setiausaha Perbendaharaan,

**Yang Berbahagia Tan Sri Dr. Zeti Akhtar Aziz;**  
Gabenor Bank Negara Malaysia,

Para Hadirin Yang Dihormati Sekalian

1. Saya bersyukur ke hadrat Allah SWT kerana dengan limpah kurnia serta Rahmat-Nya kita dapat bersama di Majlis Konsultasi Belanjawan 2012 pada pagi ini. Saya juga ingin mengucapkan selamat datang ke majlis tahunan ini. Acara anjuran Kementerian Kewangan ini merupakan usaha penting Kerajaan untuk berinteraksi secara terus dengan sektor swasta, NGO, industri dan rakyat bagi mendapat pandangan and cadangan dalam merangka Belanjawan 2012. Ini melambangkan dasar keterbukaan dan keprihatinan Kerajaan dalam mengurus dan menangani isu-isu ekonomi dan sosial yang kini semakin mencabar.

2. Saya juga ingin mengucapkan terima kasih dan merakamkan penghargaan kepada semua pihak yang telah mengemukakan memorandum dan cadangan serta yang turut sama hadir menjayakan majlis pada pagi ini. Majlis konsultasi ini adalah amat penting untuk kita sama-sama mengemukakan idea, memberi pandangan dan mencadangkan langkah spesifik bagi mengatasi cabaran dan isu-isu semasa, khususnya yang melibatkan kepentingan dan kesejahteraan rakyat keseluruhannya. Segala isu yang dibangkitkan dan cadangan yang dikemukakan oleh saudara dan saudari akan saya pastikan diberi perhatian sepenuhnya.

Untuk makluman para hadirin sekalian, hasil perbincangan pada pagi ini akan dipertimbangkan dalam penggubalan Belanjawan 2012 yang akan dibentangkan di Parlimen pada 7 Oktober 2011.

Ladies and Gentlemen,

3. The Government has put in place a strong policy framework through the New Economic Model to transform the nation into a developed and high-income economy that is inclusive and sustainable by 2020. The 10<sup>th</sup> Malaysia Plan articulates medium-term strategies while the ETP and GTP lay the strong foundation for economic and government transformation. These policy are anchored by the guiding principles of 1Malaysia: People first, Performance now, where every Malaysian has a place and role in this great journey of transformation. We now have to deliver on the expectations created by this policy framework. The key word is implementation. I assure you that the Government is committed towards accelerating the transformation process.

4. I am pleased with the remarkable progress of the GTP and ETP. The GTP has brought about significant tangible results in reducing crime, poverty and corruption as well as improving access to basic infrastructure, education outcomes and urban public transport. While we can be proud of these achievements, more needs to be done. In this regard, the Government will do its utmost towards delivering these six national key result areas (NKRAs) for the *rakyat*.

5. On the ETP, since its launch on 25 October 2010, 54 entry point projects (EPPs) representing 41.2% from the total of 131 EPPs have commenced operations and implementation. These investments totalling RM106.4 billion are expected to increase GNI by RM153.8 billion and create 298,865 employment opportunities. This is a significant achievement in such a short time frame, and the momentum must be sustained. In addition, the implementation of the mass rapid transit (MRT) project as well as increasing investment activities in regional corridors, especially in Iskandar Malaysia will help to sustain the growth momentum.

Ladies and Gentlemen,

6. We have successfully weathered the global economic recession. The economy rebounded strongly with GDP growth of 7.2% in 2010, surpassing the initial forecast of 7.0%. This favorable growth performance was supported by robust domestic economic activities. For 2011, we are striving that the economy will expand by 6%. There is renewed business confidence, reflected by the significant investments under the various EPPs.

7. However, there remain challenges. On the external front, the turmoil in the Middle East and North Africa continues to effect the global crude oil markets while supply disruptions have elevated other commodity and food prices. Cost-push inflation is on the rise and is a major challenge to many countries, including Malaysia. The sovereign debt crisis in some euro nations poses downside risks to global financial stability; the economic recovery in developed nation remains subdued while Japan needs to embark on massive reconstruction in the aftermath of the tsunami and nuclear disasters.

8. Domestically, private investment as a share of GDP is still low at 10.7% in 2010 compared to 30.3% prior to the Asian financial crisis in 1997/1998. We need to increase trade

and investment links with fast-growing Asian countries, particularly China and India. We need to strengthen the skills and knowledge base of our human capital to support the new economy. We must ensure Malaysia's underlying competitiveness remains intact by focusing on high value-added activities and productivity as well as fostering and ensuring an environment that encourages innovation and creativity. In this regard, the Government will also focus on assisting innovative Small and Medium Enterprises (SMEs) while expanding access to risk capital especially to early stage funding. On the fiscal front, we must remain committed to prudent financial management to ensure fiscal sustainability.

9. The Government is fully committed to ensuring that the *rakyat* enjoy a higher quality of life. While we have virtually eliminated hardcore poverty, we need to address remaining pockets of poverty in Sabah and Sarawak and urban poverty. Emerging challenges include the rising cost of living and affordable housing, particularly in urban areas while the increasing cost of health services requires our immediate and appropriate action. In this respect, the Government will continue to take initiatives to mitigate the impact of rising food prices as well as facilitate the supply of affordable housing.

10. I have outlined the challenges that need to be tackled. We must endeavour to collectively resolve these pressing issues with creativity and ingenuity. I am here with an open mind. I want to listen to your ideas and suggestions to help address the challenges that we face. Resolving them is a shared responsibility for the greater good and prosperity of the nation and ultimately for all of us and future generations.

11. I understand that many of you have submitted memorandums on various issues and proposals for the Government's attention. We will study your memorandums in detail and will continue to engage you as we formulate Budget 2012. This is an opportunity for me to interact directly with you and listen to your concerns and suggestions to help us prepare the Budget 2012. We will continue to engage you in the coming months through focus group discussions on specific issues.

Ladies and Gentlemen,

12. The formulation of 2012 Budget will be challenging indeed. We have to rise to the occasion and come up with bold and innovative approaches and solutions. The focus will be on accelerating transformation efforts towards enhancing the growth momentum and sustaining the well-being of the *rakyat*. In this respect, the theme for the 2012 Budget Consultation is "Together Driving Transformation" or "*Transformasi Bersama Rakyat*". Budget 2012 will be an inclusive and people centric. It will be another milestone towards a developed and high-income economy by 2020. Let us work together in making this a reality. I look forward to a candid and productive discussion today.

Thank you.

Wabillahitaufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh