

'Government needs to re-strategise expenditure'

SPEND WISELY: Johari urges local industry to use locally produced raw materials to reduce cost

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THE Finance Ministry has emphasised that the government needs to take a second look at its resources and re-strategise its expenditure in order to reduce the budget deficit from 3.5 per cent last

year to 3.2 per cent.

Deputy Finance Minister Datuk Johari Abdul Ghani said the government needed to look at its income and maximise it by coming up with the best way to spend the country's limited resources.

"Government needs to look back on the country's expenditure and defer spendings that do not provide

revenue and social impact," Johari said after delivering a keynote address at the Chief Financial Officer Summit 2015, here, yesterday.

"Of course, these are details that the government can look into in order to re-strategise the way the government spends the money," he said.

Johari urged the local industry to use locally produced raw materials to reduce their cost.

"Last time, when crude oil was traded at US\$100 (RM416) per barrel, the economy was doing well, the industry players imported everything from China because they were cheap.

"Now, it is high time we looked back at the local industry and see whether we can substitute some raw materials with local products," he said.

Meanwhile, Johari advised

Malaysians to spend their money wisely, although consumer spending is an important economic factor.

"The general public must understand how the general economy works and only then can make the country more prosperous. If Malaysians change the US dollar and keep it at home, there are no economic benefits," he added.



(From left) the Asian Strategy and Leadership Institute (Asli) CEO **Tan Sri Dr Michael Yeoh**, Deputy Finance Minister **Datuk Johari Abdul Ghani** and Asli director **Tan Sri Dr Ramon Navaratnam** at the launch of the 'Changes For The Future Starts Today' seminar in Kuala Lumpur yesterday. Pic by Muhd Zaaba Zakeria