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PUTRAJAYA, June 27 - A country with a high-income economy will mean nothing if its success is not felt by everyone, says Lim Guan Eng.

The Finance Minister said as Malaysia had set its target to achieve developed nation status, the government's policies continued to shift towards high-quality growth to attain this aim.

"But just as important, the growth must be felt by every segment of our society.

"I believe inclusive growth involves a vision of 'adequate medical care', 'a useful and remunerative job', 'a decent home' and 'freedom from unfair competition and monopolies' as the birth right of all Malaysians," said Lim, in his opening speech 2020 Budget Consultation Session at the Finance Ministry here on Thursday (June 27).

The theme of the consultation session is "Shared Prosperity: Sustainability and Inclusive Growth Towards High Income Economy".

Besides providing safety social safety nets for the vulnerable – in line with the government's 'Shared Prosperity' vision – Budget 2020 will also put in place measures to help people manage cost of living.

Lim said the government was designing a Cost of Living Index, which would be meant to complement the existing Consumer Price Index (CPI).

"Inflation rates for March, April and May 2019 were low and stable at 0.2%, proving the government's success in checking price pressures.

"The new Cost of Living Index will determine the minimum living cost required for a person to live comfortably, unlike the CPI which tracks the general change in consumers prices.

This will help the government design a more precise policy in addressing living costs faced by Malaysians," said Lim.

Lim, however, added that managing living costs is not enough, as wage growth is just as crucial

"There is little to take comfort from GDP (Gross Domestic Product) growth if our wages do not increase as well.

To have higher growth, the only sustainable way of doing so is to raise our productivity

"The government has identified Industry 4.0 as the new source of productivity and economic growth.

"This specifically means digitalisation of the economy, and wider application of new technology such as artificial intelligence, big data and robotics in our daily life," said Lim. Lim said the government was embarking on fiscal consolidation, which he said was necessary to preserve its high credit ratings.

"The government has been cutting the fiscal deficit gradually from 3.7% of GDP in 2018, to 3.4% this year, 3.0% in 2020. By 2021, we should be able to cut it below 3.0%," he said.

The minister added the country continued to be affected by past scandals by the previous government, such as the 1Malaysia Development Berhad (1MDB) issue and more. "The government would like to spend more but at the end of the day, legacy issues like 1MDB, Felda and Tabung Haji are still something we have to deal with. "No country can lose RM150bil without being hurt from it," he said.

Representatives from 304 local and foreign organisations attended the day-long session. Budget 2020 is scheduled to be tabled in Parliament on Oct 11 this year.