

KERATAN AKHBAR

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Focus on structural reforms to improve economy, says Rafizi

AMPANG: Malaysia needs to move away from rolling out cash handouts and focus on structural reforms to improve its economic outlook, says Rafizi Ramli.

The Economy Minister said past initiatives that injected cash directly into people's pockets were a temporary fix and not sustainable.

"Although such measures are popular, they fail to address the long-term cause of poverty and are a poor response to economic shocks.

"As a responsible government, we have an obligation to ensure a healthy fiscal balance for the country," he said.

Towards this end, Rafizi said the government had to undertake painful reforms to address structural economic problems in the economy.

"We hope the public can understand that reforms take time, and the first two years are only the gestation period.

"Issues such as the rising cost of living will take a comprehensive effort and will not be solved in a short time," he added.

Rafizi said this at the launch of People's Income Initiative (IPR) programme in Taman Cempaka in Pandan Indah here on Sunday (Feb 26).

Also present were Selangor Menteri Besar Datuk Seri Amirudin Shari and Negri Sembilan Menteri Besar Datuk Seri Aminuddin Harun.

Asked if the government risked losing support due to unpopular measures, Rafizi dismissed it and said the measures were necessary.

"We have a huge structural problem involving RM1.2 trillion in national debt that needs serious looking into.

"We can't simply roll out more subsidies as such a measure will only compound the problem further in future.

"We need to change our mindset to consider the long-term impact of any economic decision," he said.