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KUALA LUMPUR: Although various parties have criticised Prime Minister Datuk Seri Anwar Ibrahim's maiden budget, particularly over the expected rise in the nation's debt, some experts see the unity government's move as necessary to protect the people's welfare.

Budget 2023 is the biggest national budget in the nation's history with an allocation of RM388.1 billion. The previous government had unveiled an RM372.3 billion budget for 2023 on Oct 7 last year, but three days later, Parliament was dissolved to pave way for the 15th general election.

Experts are of the view that the revised expansionary budget, themed Developing Malaysia Madani, will ensure that the target groups benefit fully from the government assistance.

Universiti Malaysia Perlis faculty of business and communications senior lecturer Assoc Prof Dr Mohd Zukime Mat Junoh said although it is a deficit budget, the unity government led by Anwar is optimistic that Budget 2023 can effectively deal with the cost of living issue.

➤ Revised expansionary Budget 2023 ensures target groups benefit fully from initiatives provided, say experts

"I view Budget 2023 as an aggressive step by the government to improve the well-being of the people, especially in terms of helping them to cope with the cost of living.

"For this year, the government has allocated a substantial sum of RM64 billion for subsidies, aid and various other incentives to minimise the impact of rising costs."

He added that although the budget is not a complete solution to the cost of living issue, he believes the government is committed to addressing it through a slew of measures aimed at relieving the burden of the people, especially vulnerable groups.

Mohd Zukime said the proposed measures include food subsidies, a hike in energy subsidies and financial aid for students from low-income households apart from existing cash handouts.

"It is hard to say that this budget is capable of completely alleviating the burden of the people because the cost of living issue is a complex problem as many factors are responsible for its escalation.

"As such, although the government can provide various aid (schemes) through the budget, the cost of living issue may still remain a problem over the long term.

"Hence, the government and the agencies involved must come up with an effective mechanism to control the food supply chain and stabilise prices of goods."

He said leakages in the award of subsidies must also be plugged to ensure that only targeted groups benefit from them.

Mohd Zukime said Budget 2023 has also taken into consideration the plight of the M40 or medium-income group, *Bernama* reported.

"The cut in personal income tax, for example, can hopefully benefit this group in terms of their financial management. Any form of aid from the government will help in their economic and social survival."

When tabling the revised Budget 2023 in Parliament on Friday, Anwar, who is also finance minister, announced a 2% cut in individual tax for the RM35,000 to RM100,000 taxable income band.

Universiti Utara Malaysia economics lecturer Dr Nur Hafizah Ismail said Budget 2023 constitutes the main thrust of developing an inclusive and sustainable economy through the provision of various initiatives for the people.

She said besides catering to all the communities in Malaysia, various agencies will be involved in ensuring the success of every initiative announced by the government.

"To realise this, government-linked companies and government-linked investment companies that stimulate economic development to make a success of its people development agenda must work together," she added.