

# KERATAN AKHBAR

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## 'No economic turmoil'

# 'NO ECONOMIC TURMOIL'

It is not on the cards for Malaysia this year as economy is expected to grow 4.5pc, says Ahmad

KUALA LUMPUR

**M**ALAYSIA will not face economic turmoil this year, Deputy Finance Minister I Datuk Seri Ahmad Maslan said.

He said based on the 2022 economic performance, the government was expecting a growth of 4.5 per cent.

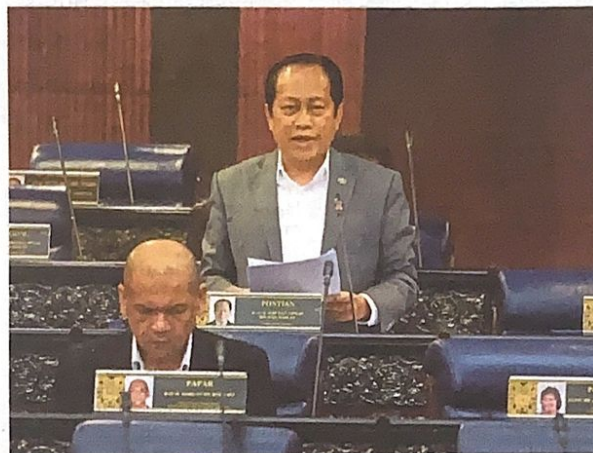
He said the International Monetary Fund and World Bank projected economic growth of 4.4 per cent and 4 per cent, respectively, for Malaysia this year.

"This projection is in line with the forecast for economic growth and global trade, which is expected to be slower this year.

"Based on these statistics, despite facing global uncertainty, I wish to emphasise that Malaysia will not experience economic turmoil in 2023," he told the Dewan Rakyat yesterday.

He said to say a country was in economic turmoil or recession, it must record two consecutive quarters of negative growth.

He said the government would continue to prioritise economic



Deputy Finance Minister I Datuk Seri Ahmad Maslan says the government will continue to prioritise economic progress and equitable development for the people. BERNAMA PIC

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"We will also continue to make Malaysia an attractive investment destination by facilitating the investment process, creating more innovative startups and more jobs with commensurating wages.

"This year, the government is allocating RM64 billion to subsidies, aids and incentives," he said, including the Rahmah Cash Contribution and Menu Rahmah.

He said for micro, small and medium enterprises (MSMEs), the government would provide incen-

tives, loan facilitation and guaranteed financing worth RM40 billion this year.

To help MSMEs recover post-Covid-19, he said, the government reduced the MSME tax rate on taxable income for the first RM150,000 from 17 per cent to 15 per cent.

"For the M40 group, the government reduced the tax rate by two percentage points for taxable income between RM35,000 and RM100,000.

"This is expected to increase disposable income of the M40 by

up to RM1,300 a year."

Ahmad was responding to a question by Datuk Idris Ahmad (Perikatan Nasional-Bagan Serai) on the government's plan to face economic turmoil and whether the government was ready to provide incentives and assistance.

On another matter, Ahmad said the number of bankrupt youths had decreased last year.

He said bankruptcy involving youth under the age of 35 fell from 22.5 per cent between 2017 and 2021 to 13.5 per cent last year.

"Bankruptcy cases have steadily fallen from 19,558 individuals a year since 2016 to 5,695 individuals up to December 2022."

He said the amendment to the Insolvency Act 1967 would help people declared bankrupt.

"There are procedures that must be taken into account by financial institutions to declare individuals bankrupt. Declaring them bankrupt is the final resort."

On Feb 24, Prime Minister Datuk Seri Anwar Ibrahim had said the government was looking at giving bankrupts a second chance to rebuild their lives.

He said bankrupts with debts less than RM50,000 could be released from bankruptcy status from March 1.

He said the government would amend the Insolvency Act 1967 to allow bankrupts to be freed from bankruptcy status automatically and faster, with 130,000 people set to benefit.