

Support Govt's austerity drive—PM

By **BALAN MOSES**

JITRA, Thurs. — Datuk Seri Dr Mahathir Mohamad today urged the people to understand and support the Government's austerity drive in view of the depressed economic conditions caused by the worldwide recession.

"The rakyat will have to understand the Government's motive in reducing expenditure so that a concerted effort can be made to strengthen our economy," he said at a thanksgiving here today to mark the Barisan Nasional's election victory.

Datuk Seri Dr Mahathir said the Government would be able to stabilise the economy if the rakyat helped by fac-

ing the situation in a calm and rational manner.

The country, he said, is facing the effects of recession due to a poor market for certain primary products such as tin and rubber.

This, he added, has been compounded by the fact that the country is buying more from abroad.

The Prime Minister said the answer to the economic problem lies in limited expenditure — both in government and individual spending.

Savings

"The rakyat have to guard against over-spending. We have to cut down on expenditure so that individual savings will increase," he said.

On development, Da-

tuk Seri Dr Mahathir said the Government would have to delay certain large projects owing to the austerity drive.

"However, this will not affect projects which have been contracted by the Government," he added.

Datuk Seri Dr Mahathir said the temporary delay in implementation did not mean such projects would be dropped or shelved indefinitely.

He, however, warned that unlimited spending would only hamper efforts to stabilise the economy.

He called on the people to raise their income through their own efforts as they could not depend solely on government aid to improve their living standards.

The Government, he

added, is planning to establish small-scale industries in the rural areas to help raise the income of the rural people.

"However, the rakyat will have to remember that they would have to work hard to succeed in their efforts.

"The Government has a specific responsibility to the people but this must be complemented by greater efforts and motivation among the rakyat."

He added that even people given the necessary capital and licences to start industries would fail without individual effort and dedicated service.

"While the Government is carrying out its responsibilities, the rakyat must shoulder their own responsibilities in building a strong and united nation."