

MAHATHIR-BUDGET

FROM: SYED JAMIL JAAFAR

65 (P)
NASSAU (BAHAMAS), OCT 19 (BERNAMA) -- MALAYSIANS CAN EXPECT AN AUSTERITY BUDGET NEXT YEAR, PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD SAID YESTERDAY.

+WE DON'T HAVE THE MONEY. IT HAS TO BE AN AUSTERITY BUDGET. + HE TOLD MALAYSIAN JOURNALISTS HERE.

THE 1986 BUDGET WILL BE PRESENTED IN PARLIAMENT NEXT FRIDAY.

ASKED IF IT WOULD BE AN ELECTION BUDGET, THE PRIME MINISTER SAID EVERY TIME THE ANNUAL BUDGET WAS PRESENTED, THERE WAS SPECULATION THAT IT WOULD BE AN ELECTION BUDGET.

HOWEVER, HE SAID THAT WHEN THE GOVERNMENT REDUCED OR ABOLISHED TAXES, THIS DID NOT MEAN THAT IT WAS AN ELECTION BUDGET.

+WE FIND THAT WHEN WE DO THIS WE OFTEN COLLECT MORE REVENUE. + HE SAID.

ON DEMANDS BY CUEPACS, HE REITERATED THAT THE GOVERNMENT WAS WILLING TO TALK BUT NOT UNDER THREATS.

YESTERDAY AFTERNOON DATUK SERI DR MAHATHIR, WHO HAS BEEN MAKING A TREMENDOUS IMPACT HERE, ESPECIALLY AFTER MAKING HIS BLUNT SPEECH ON THE OPENING DAY OF THE COMMONWEALTH SUMMIT, GRANTED AN INTERVIEW TO ASSOCIATED PRESS.

HE HAD EARLIER GRANTED INTERVIEWS TO BRITAIN'S ITV AND BBC.

DATUK SERI DR MAHATHIR TOOK PART IN THE DEBATE ON SOUTH AFRICA AT YESTERDAY MORNING'S SESSION OF THE SUMMIT AND LATER KICKED OFF DISCUSSIONS ON INTERNATIONAL ECONOMIC ISSUES.

HE LEFT FOR LYFORD CAY TOGETHER WITH OTHER HEADS OF GOVERNMENT YESTERDAY EVENING FOR A WEEKEND RETREAT.

DATUK SERI DR MAHATHIR WILL HOWEVER SPEND ONLY ONE NIGHT AT LYFORD CAY, 25KM FROM HERE. HE WILL LEAVE FOR HOME TODAY (OCT 20 M'SIA). -- BERNAMA