

Do not spend too much, people urged

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PREVENT inflation by not overspending, Datuk Seri Dr Mahathir Mohamad said yesterday.

Commenting on the 1992 Budget proposals, the Prime Minister said the Government wanted greater economic growth while controlling inflation.

"Spending beyond one's means will contribute toward inflation," he told reporters after Finance Minister Datuk Seri Anwar Ibrahim presented the Budget proposals.

Dr Mahathir said the proposed reduction of loans

from any source was another measure being taken to control inflation.

He described the Budget as a good effort as the Government took into consideration the interests of all.

The Government had to review its policies on pioneer status for investors as it had already spent considerable amounts on the provision of infrastructure for the industrial sector.

"What we propose to do is provide more infrastructure and development."

On the increase in taxes for certain items, Dr Ma-

hathir said he believed that those who used such items could afford to pay for the increases.

On foreign labour, the Prime Minister said the country was experiencing a shortage of workers.

"We have to take in foreign labour and the proposed levy is necessary because the foreign workers will be using facilities and amenities provided by the Government for Malaysians.

"We do not want our workers to earn less than foreigners and we also do

not want foreigners to earn less than us. Therefore arrangements that engage foreign labour will have to pay the levy imposed," he said.

Asked to comment on the World Bank report that Malaysia's unemployment rate was only 3.4 per cent and not 5.6 per cent as declared by the Government, Dr Mahathir said the World Bank considered part-time workers as full-time employees.

Part-time workers were considered "unemployed" in Malaysia and this contributed to the difference in figures.