

PM: BUDGET TO BOOST ECONOMY

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Dr M hints at govt
plan to counter
possible recession

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PETALING JAYA: The thrust of the 1993 Budget will be to boost economic growth, Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said all policies and tax increases would be designed for this purpose.

He was speaking to reporters at the home of Deputy Agriculture Minister Datuk S. Subramaniam, who was holding Deepavali open house.

He said the Government would spur domestic growth to counter the negative effects of a possible world recession.

"We are studying ways in which domestic growth could be used to boost export growth.

"If we can encourage domestic contribution to the economic growth, we believe we can overcome the impact of recessions in other countries," he added.

Dr Mahathir noted that domestic tourism was one way of promoting domestic growth. This was why the Government wanted more medium class hotels built as it could stimulate economic activities.

Finance Minister Datuk Seri Anwar Ibrahim will table the 1993 Budget in Parliament on Friday.

Speaking in Langkawi on Saturday Dr Mahathir asked chalet operators to build more low-cost and comfortable accommodation to attract tourists to make return visits.

Dr Mahathir, who was on a one-day visit, said Langkawi's development depended on the influx of tourists coming to enjoy its natural beauty.

He said this was proved by the full occupancy of the low-cost DeLima Resort at Pantai Chenang which has 1,200 rooms.

He said the Government was willing to extend financial help to Langkawi chalet operators who wanted to set up budget hotels offering good service and accommodation.