

24 FEB 2000

Daim-GDP

DAIM TO ANNOUNCE 4TH QTR GDP, ECONOMIC GROWTH '99 TOMORROW

PUTRAJAYA, Feb 24 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said here today that the Growth Domestic Product (GDP) figure for the fourth quarter of 1999 will be announced when the 2000 Budget is re-tabled in the Dewan Rakyat tomorrow.

Finance Minister Tun Daim Zainuddin will also announce the 1999 economic growth performance, he told reporters after chairing the National Information Technology Council (NITC) meeting here.

Daim initially presented the 2000 Budget on Oct 29, 1999, but Parliament was thereafter dissolved to pave the way for the general election on Nov 29, last year.

With the previous sitting unable to pass the 2000 financial blueprint, the Finance Minister has to re-table it.

Recently, Dr Mahathir indicated that the GDP forecast for this year would be more than the 4.3 per cent projected when Daim tabled the 2000 Budget on Oct 29.

For the first quarter of 1999, Malaysia's GDP growth was at -1.3 per cent but improved to 4.1 per cent in the second quarter.

In the third quarter, growth jumped to 8.1 per cent, spurred by fast economic growth as Malaysia recovered from the economic crisis which surfaced in the middle of 1997.

Meanwhile, the NITC meeting today heard reports relating to IT usage and knowledge in fields like industry and social.

Dr Mahathir said that Malaysia had managed to overcome the shift from industrialised economy to knowledge-economy.

In actual fact, this was not as difficult as one thinks, he said.

He said: "We are still in the process of improving information usage in the country's development management in the aspects of economy, social, education and others.

"Now, the government is considering whether we could use such an approach."

Dr Mahathir said that information usage could increase performance.

For example, the Federation of Malaysian Manufacturers (FMM) has a cyber portal which would enable its members to utilise information which was difficult to obtain previously, to increase production and market.

As for the recent increase in prices of IT shares on the Kuala Lumpur Stock Exchange (KLSE), Dr Mahathir said that many assumed that IT companies, especially the "dot.com" companies, have the potential to succeed although many had suffered losses before this.

The Prime Minister said that such companies have a bright future, for example "amazon.com."

"People buy these shares for capital gains, In this aspect, they do not lose out," he said.

--BERNAMA

sho/mfj ma fr abg