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Govt to announce 4th qtr GDP today

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THE Government will announce the country's economic performance for last year during the tabling of the Budget 2000 at the Dewan Rakyat today.

Prime Minister Datuk Seri Dr Mahathir Mohamad said Finance Minister Tun Daim Zainuddin will announce last year's fourth quarter gross domestic product (GDP) growth rate and other economic figures in his Budget speech.

He was speaking to reporters after chairing the ninth National Information Technology Council (NITC) meeting in Putrajaya, Selangor, yesterday.

Asked about foreign analysts' projections for the economy in 1999, Dr Mahathir said: "People outside are making their own predictions. They have their own information that we do not know about."

Earlier this week, the Prime Minister had reiterated that Malaysia might be able to post a higher growth than the 4.3 per cent forecast in the Budget, thanks to the strong rebound in economic activities following the implementation of various measures by the Government.

The Government had earlier estimated that the country's growth would be 1 per cent in 1999 but this projection was made in 1998 when Malaysia had just initiated the measures to bolster the economy which was ravaged by the regionwide currency turmoil.

The GDP growth forecast was subsequently revised to 4.3 per cent as more and more signs emerged to show that the Malaysian economy was back on track. And towards the end of 1999, as the economy became even stronger, the Government predicted that GDP growth could actually be higher.

On the NITC meeting, Dr Mahathir said the council acknowledged the importance of knowledge and information technology as a means to sustain and further develop the nation's economy.

The four-hour meeting included a briefing by the Federation of Malaysian Manufacturers (FMM) on its approach to incorporate information and communication technology (ICT) to improve the sector's productivity and efficiency.

FMM told the NITC that it had set up a portal which allows members to utilise information previously not accessible to them.

The NITC was also briefed by Shell Malaysia on its experience in developing and exploiting knowledge and information dissemination systems to boost the company's performance and competitiveness.

Dr Mahathir said such feedback from industry representatives will help the Government to evolve strategies to further promote the knowledge-economy in the country.

"We are still in the process of enhancing our strength in information technology and incorporating IT in efforts to develop the country," he added.

Asked for his opinion on the surge in share prices of IT companies of late, Dr Mahathir said the perception all over the world is that such companies have great potential for growth.

"Even though they are losing money now, their future is bright. Amazon.com has not made a profit but the company is growing.

"Many investors expect the IT companies to make profits and that is why the share prices are rising," he said.

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