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REACTION-RIGHT RESPONSE

2002 BUDGET HAS RIGHT RESPONSE TO GLOBAL ECONOMIC UNCERTAINTIES

KUALA LUMPUR, Oct 19 (Bernama) -- The 2002 Budget has appropriate responses to the prevalent global economic uncertainties as it emphasises on stimulating domestic economic activities and positioning the country for long term growth, said Sukanta Dutt, a partner at Ernst & Young today.

The budget was tabled by Prime Minister Datuk Seri Dr Mahathir Mohamad at the Dewan Rakyat today.

Dutt said the improved monitoring process of development projects, including payment processing, was expected to ensure efficient utilisation and disbursement of project allocations.

To stimulate consumer spending, he said the government made the right move in removing the tax on bonus payments exceeding two months, declaring half a month pay or a minimum of RM1,000 for civil servants and a 10 percent increment for them.

Meanwhile, the Malaysian Franchise Association said the double deduction allowed for brand building expenses was a step in the right direction.

Brand building, it said, was an essential marketing tool for promoting and developing successful franchise businesses.

Association chairman Datuk Adzmi Abdul Wahab said the continued government support for Prosper (Projek Usahawan Bumiputera Dalam Bidang Peruncitan) would help develop more bumiputera entrepreneurs. -- BERNAMA

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