

04 JUN 2002

MAHATHIR-BUDGET

M'SIA NEEDS A BALANCED BUDGET

PUTRAJAYA, June 4 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said here today that Malaysia should strive for a balanced budget and avoid practising deficits budget continuously.

Dr Mahathir, who is also the finance minister, said that practising deficits budget continuously was not healthy.

"Our 2002 Budget still has deficits. We have had deficits budget a number of times. This is not healthy," he said at the fourth Budget 2003 dialogue session with menteri besar, chief ministers, government supporters and political secretaries.

He said that the country needed the budget to be balanced again.

Dr Mahathir said that reducing taxes would not help towards achieving a balanced budget.

"If we reduce taxes we will not achieve a balanced budget. Deficits may increase," he said.

Apart from this, he said that spendings should fulfill a budget's aim.

"If we spend too much, where I am sure state representatives, menteri besar ask us to spend more and more and there are those who ask for hundreds of million, these spendings, I am sorry, I cannot approve," he said.

"We have our budget and we try to fulfill that budget," the prime minister said.

According to Dr Mahathir some 99 percent allocation in the Budget 2001 has been spent but for Budget 2002, there was still much more which had yet to be spent by ministries.

He hoped that the allocation could be fully utilised by the end of the year.

-- BERNAMA

LES OS FR