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MAHATHIR-STIMULUS

PRACTICALLY ALL OF STIMULUS PACKAGE HAS BEEN SPENT, SAYS PM

KUALA LUMPUR, June 18 (Bernama) -- The government has spent almost all of the RM7.3 billion fiscal stimulus package allocated during 2001, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

"Practically all," he said when asked how much of the stimulus package has been utilised by the government todate.

Dr Mahathir, who is also finance minister and UMNO president, said this during a press conference after visiting the "Ekspo Nasional Usahawan Pemuda Bumiputra" held in conjunction with the Umno General Assembly here.

In an effort to ward off the negative effects of a global economic downturn, primarily caused by the sluggish US and Japanese economies, the government initiated a RM3 billion stimulus package in March last year and added another RM4.3 billion in September in the aftermath of the Sept 11 terrorist attacks.

The stimulus package is expected to have long-term multiplier effects on the national economy as the funds will be rolled over through spending on goods and services.

Despite the slightly lower external demand, the strong domestic private consumption and the high government spending through the stimulus package had enabled Malaysia to post an economic growth of 0.4 percent last year and growth estimates for this year are at more than 4.0 percent. -- BERNAMA

MAD SHY