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MAHATHIR-SPENDING

GOVERNMENT TO SPEND MONEY PRUDENTLY, SAYS MAHATHIR

PUTRAJAYA, Feb 7 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said here today that the government will spend money for expansionary to support the economy but in a prudent manner.

He said that people had demanded for things to be constructed or provided by the government, which the government was not in a position to give.

"They are asking the government to spend money. We will spend money for expansionary to support the economy but only the money that we have or the amount of borrowings that we are able to afford," he said.

The government is very careful in its spending, he told reporters after launching the e-Syariah, the seventh flagship application under the Multimedia Super Corridor project.

Dr Mahathir said: "It is not about expansionary but prudence. You wouldn't survive up to now if you don't know to manage your funds."

To a question on whether the government was monitoring the Venezuela crisis, he said that the government is monitoring the situation because Venezuela supplied a third of the US' oil needs.

When there is a breakdown in the supply, oil prices are affected, he said.

On the proposal by Venezuela to have fixed exchange rate to the US dollar, Dr Mahathir said: "We wish them all the best. It is not an easy thing."

It was reported that Venezuelan President Hugo Chavez has announced foreign exchange curbs to shore up international reserves and the bolivar currency after a two month-opposition strike that has battered the oil-reliant economy. -- BERNAMA

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