

06 JAN 2003

MAHATHIR-MEASURES

GOVT MAY OPT FOR ANOTHER ROUND OF PUMP-PRIMING

KUALA LUMPUR, Jan 6 (Bernama) -- The government may opt for another round of pump-priming this year to boost the national economy, Prime Minister Datuk Seri Dr Mahathir said today.

Measures such as injecting more funds into the economy and spending money on short term projects might be applied to increase monetary circulation, he told reporters after attending the fourth public service premier assembly where he also opened Imatec or the the Management Technology Centre of the National Institute of Public Administration (Intan).

Dr Mahathir was asked to comment on the possible measures that the government could take to shield the national economy from economic turbulence.

If the stimulus package were to be implemented, then it would be the third time such a measure was implemented since the first quarter of 2001.

The government introduced the first stimulus package in March 2001 by injecting RM3.0 billion and added another RM4.3 billion towards the end of 2001 in the aftermath of the Sept 11 terrorist attacks.

On incentives for foreign investors, Dr Mahathir said they would continue to be given.

"We sit down with them all the time and ask them what else they want us to do. But at the same time we know that there is not much money going around and people are nervous. It's not what we can't do, it's what they believe in the viability of their investments," said the prime minister when commenting on Malaysia's investment scenario. -- BERNAMA

NM SHY