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Parliament-Winding (Finance)

GOVT SPENT RM90.4 MILLION TO ORGANISE NAM

KUALA LUMPUR, March 20 (Bernama) -- The Government spent RM90.4 million to organise the 13th Non-Aligned Movement (NAM) summit here between Feb 20 and 25, Deputy Finance Minister Datuk Dr Shafie Mohd Salleh told Parliament today.

He said the amount included air fares for members of 15 delegations from less developed countries.

He said the government did not spend any money to renovate the Putra World Trade Centre (PWTC), the venue of the NAM summit, as claimed by the opposition.

"The government only rented the PWTC for the summit," he said when winding up the debate on matters pertaining to his ministry in the Dewan Rakyat.

He also told the House no import duty reduction was granted to companies which loaned imported new cars to the government for use during the six-day summit.

He said the import duty on those cars ranged from 140 per cent to 300 per cent depending on their engine capacities and a 10 per cent sales tax.

"However the value of these cars went down because after the conference the cars were categorised as second-hand cars," he said.

Dr Shafie said the government and Malaysians benefited from the summit through tourist arrivals and global news coverage thus enhancing the country's image for its excellence in organising the summit.

On the effectiveness of the economic stimulus package being implemented by the government since 2001, Dr Shafie said it had had a positive effect with the economy recording a 4.2 per cent growth rate last year.

On the war in Iraq, he said it would affect the trade flow in West Asia and perhaps push up oil prices.

The government would cushion these effects on the Malaysian economy by introducing more comprehensive economic stimulus packages.

The Government was drawing up a new economic stimulus package which would be announced by the Prime Minister Datuk Seri Dr Mahathir Mohamad who is also Finance Minister next month, he said.

Dr Shafie said the new economic package would focus more on structural changes in economic institutions to enhance productivity and the country's competitive edge.

On the reluctance of financial institutions to give loans to Small and Medium scale industries (SMI), Dr Shafie said the government was indeed giving attention to the expansion of SMIs and their need for loans.

He said the government was ensuring that the banks fully cooperated by giving loans to SMIs.

Last year financial institutions received 105,000 loan applications from SMIs and of these 74,000 were approved involving loans totalling RM30.7 billion.

Dr Shafie also told the House that the government was taking steps to increase the number of Bumiputera retailers under the auspices of the Perbadanan Usahawan Nasional Berhad (PUNB).

He also said the Multimedia Super Corridor (MSC) was not only to create a silicon industry but represented a government initiative to develop information and communication technology to realise Vision 2020.

--BERNAMA

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