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Senate-Package

HOTEL INDUSTRY PICKING UP, SENATE TOLD

KUALA LUMPUR, July 1 (Bernama) -- Occupancy rates at hotels nationwide have picked up after Prime Minister Datuk Seri Dr Mahathir Mohamad announced the new economic stimulus package on May 21, the Dewan Negara was told today.

Finance Ministry Parliamentary Secretary Hashim Ismail said the average hotel occupancy rate had increased from 43 per cent May to 51 per cent last June 12.

"Hotel operators can now breathe easier as demand for hotel rooms has gone up," Hashim said when replying to a question from Senator Datuk Dayang Mahani Tun Pengiran Ahmad Raffae in the Dewan Negara.

Earlier, Dayang Mahani asked what the government's response was in the wake of the adverse economic impact caused by the Severe Acute Respiratory Syndrome (SARS) outbreak and United States-led invasion of Iraq.

Hashim said ratings by international agencies, like Standard & Poor's, had placed Malaysia in the "BBB+" stable category, indicating their acknowledgement that the government was capable of managing the country's economy even in difficult times.

Hashim said shares at the Kuala Lumpur Bourse had shown an upward trend, with the Composite Index climbing from 636.96 points on May 20 to 682.32 points on June 25.

He said the government hoped the economic stimulus package would achieve the 4.5 per cent annual growth forecasted earlier.

Hashim added that Malaysia's economy grew four per cent in the first quarter of the year as against 1.3 per cent for the same period in 2002.

To another question from Dayang Mahani, Hashim said Malaysia had expanded its export market to Asian nations to reduce its dependency on only one nation.

"Previously the United States was the major importer of Malaysian products. But now Malaysia has expanded its exports, 25 per cent for Asian nations and 20 per cent for the US," said Hashim.

-- BERNAMA

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