

13 SEP 2003

MAHATHIR-FUNDS

M'SIA TO RAISE FUNDS LOCALLY, SAYS PM

KUALA LUMPUR, Sept 13 (Bernama) -- Malaysia intends to raise funds available locally for its projects and will not look for funding abroad, said Prime Minister Datuk Seri Dr Mahathir Mohamad today.

"We will raise funds...we will have to have some money ...we will raise it within the country as I keep on saying that we have the money (locally)," he told reporters after chairing the Barisan Nasional supreme council meeting here.

Dr Mahathir, who is also the Finance Minister, said for example, the country has more than RM200 billion in cash in the Employees Provident Fund and the EPF has to invest to earn more returns.

"This is the cash the government intends to utilise," he said.

The government, he said, would give the EPF a guaranteed return for its cash and (and this was better) for the Fund than to just keeping the cash of its contributors.

He said although the government had not decided on the amount to be raised, it could be around RM2 billion and all the money would be from domestic lenders.

"We will see what is needed," Dr Mahathir added.

On the bonus for civil servants to be paid out on a staggered basis, he explained that the quantum would be for half a month and there would be no minimum amount for the bonus payment. -- BERNAMA

SR MAD SHY