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MAHATHIR-GDP

PM EXPECTS SECOND QUARTER GDP TO BE BETTER THAN EXPECTED

PUTRAJAYA, Aug 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said the economic growth for the second quarter should be better than expected, thus enabling Malaysia to achieve its targeted gross domestic product (GDP) growth of 4.5 percent in 2003.

"I think the second quarter should be good. Better than expected but not as good as when we were budgetting for this year. At that time, we did not anticipate SARS although we anticipated the Iraq war," he said.

He said the Severe Acute Respiratory Syndrome (SARS) not only affected Malaysia's performance, but also that of most East Asian countries.

Dr Mahathir said the second quarter GDP should be better than the 4.0 percent achieved in the first quarter.

"If everything is at it is, we should achieve the 4.5 percent (for the year). It is achievable unless you have some other diseases or war," he said at a press conference after witnessing the signing of a contract between the government and Gebang Perdana Sdn Bhd for the construction of a land bridge, a rail bridge and other works involving the company.

Asked on the deficit for the 2003 Budget, he said the government had made provisions for the extra expenditure that it has to spend.

He said the deficit had been announced and been worked out while the extra expenditure would still be within limits though more than that provided for the 2002 Budget. -- BERNAMA

ZAI SHO TJK