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MAHATHIR-PACKAGE

TOO EARLY IN THE YEAR TO UNVEIL PUMP PRIMING PACKAGE, SAYS MAHATHIR

KUALA LUMPUR, Feb 6 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said here today that it was still early in the year for the government to unveil the pump priming measures announced early last month.

"It is still early in the year. There are still time," he said when asked when the government is expected to unveil the pump-priming package.

He said this at a press conference after launching Bank Negara Malaysia commemorative coins simultaneously with commemorative stamps and first day cover as well as the Malaysian Technical Cooperation Book issued in conjunction with the 13th Non-Aligned Movement (NAM) Summit.

The summit will be held here from Feb 20 to 25.

Dr Mahathir had said early last month that the government might opt for another round of pump priming this year to boost the national economy.

He had said that the measures such as injecting more funds into the economy and spending money on short term projects might be applied to increase monetary circulation.

Economists viewed the pump priming measures as a better option than the slashing of interest rates to further boost the national economy.

They said that as interest rates are currently at their lows, slashing them further might cause the economy to fall into a liquidity trap.

Asked whether or not the government will lower the interest rates to stimulate the economy, the Prime Minister replied: "Well, I will have to tell you when we decide." -- BERNAMA

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