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Data still being collected for economic package: Rafidah

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THE Government is still gathering data and input from all ministries and related agencies before announcing the fiscal economic package, Minister of International Trade and Industry Datuk Seri Rafidah Aziz said yesterday.

"The Government intends to introduce a comprehensive package that will boost domestic demand and investments, improve transactions between public

and private sectors, put a cap on escalating costs and improve delivery systems," she told reporters after launching the Perak Barisan Nasional Wanita election machinery in Ipoh.

Rafidah said the Government is closely monitoring the export figures for March and April for an indication of the effects of the war in Iraq and the Severe Acute Respiratory Syndrome on the country.

She said another issue that needs to be tackled for the successful implementation of the package is the prevalent bureaucratic attitude in the public sector.

"This is the Government's underlying concern because, if not countered, this attitude will hamper stimulus efforts... inflation of unnecessary costs will take place and this will nullify the positive effects of incentives given by the Government."

Rafidah said the stimulus package will enable Malaysia to compete with other countries in the region in terms of competitiveness and attractiveness.

She said this will be achieved by boosting investments in the various engines of growth, such as manufacturing and services.

The package, which was supposed to be announced on April 7 but was later postponed, will be made either by Prime Minister Datuk Seri Dr Mahathir Mohamad or Acting Prime Minister Datuk Seri Abdullah Ahmad Badawi.

Meanwhile, Rafidah refused to comment on the statement by SMI Association of Malaysia president Looi Teong Chye that local SMIs (small- and medium-sized industries) are facing decreasing foreign direct investment (FDI) in view of China's economic liberalisation.

She said she "had not read" nor was she "told about" the report published in the Business Times on April 7.

In the report, Looi had said that the large flow of FDI to China had forced local SMIs to eke out a living on "investment crumbs" while facing the threat of being economically annihilated by the emerging global economic powerhouse.