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PM to workers: Support Government

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PUTRAJAYA, Wed. - Malaysians, especially the workforce and organisations representing workers, should avoid actions that could be detrimental to the country's economic recovery, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Dr Mahathir, who is also Finance Minister, said workers should instead support the Government's efforts to strengthen the economy.

"They must co-operate," he said at a Press conference in his office after announcing a fresh economic package to stimulate growth.

Investors, he said, would only be willing to put their money in this country if the investment climate was conducive.

He said Malaysians should also consider spending their money locally as the Government, through the new economic package, has provided additional funds and tax exemptions to increase "cash in hand".

Dr Mahathir said the Government had to sacrifice revenue, through various tax reductions and exemptions, to lessen the burden of the business community.

However, he expressed confidence that the lost revenue would be recouped when businesses did well and they paid their taxes.

"To recoup the money is very simple. If the economy is stimulated, more business is done.

"Obviously, one way or the other, the Government will collect more taxes if people make more profits. The Government is entitled to 28 per cent of that profit."

On the need for the Government to enhance its delivery system, Dr Mahathir said the public was still unhappy about the inaccessibility of the funds meant to help them.

"It is because of the various procedures; and sometimes officers are extra cautious. Because of that, people feel very unhappy.

"That's why we have eased the procedures and regulations, including the repayment structure."

He added that the Government was also aware that many had resorted to borrowing from illegal moneylenders or loan sharks.

Dr Mahathir was also asked to elaborate on the task of the Education Ministry to "unlock" the value of physical assets of higher learning institutions, estimated at more than RM15 billion, as a new source of growth.

He said the initiative would not involve the disposal of the assets as the facilities could be used for more research and development (R&D) and other educational purposes.

On the proposed move to woo more foreign students, he said foreign students actually brought about an inflow of funds.

"One must remember that one foreign student is equivalent to 365 tourists coming here for a day because they stay for a much longer time and spend money on food and accommodation.

"They travel using our carriers and sometimes their family members come here. So it is actually a very good business.

"It has been good business for countries like Britain, and likewise it will also do us good (economically)."