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PM: Government may consider pump-priming to boost economy

Annie Freeda Cruez

KUALA LUMPUR, Mon. - Prime Minister Datuk Seri Dr Mahathir Mohamad today said the Government may go on another round of pump-priming this year to boost the economy.

He said such measures were necessary for more funds to circulate and to spend on projects.

He said this after opening the National Institute of Public Administration (Intan) Management Technology Centre here.

He said measures such as injecting more funds into the economy and spending money on projects may be applied to increase monetary circulation.

He was asked to comment on whether the Government would take measures to shield the economy from economic turbulence.

When asked whether foreigners were still investing in Malaysia, he said they were and the Government would continue to give them incentives.

"We sit down with them all the time, asking them what else they want us to do.

"But, at the same time, we know there is not much money going round and people are nervous. It's not what we can do, it's whether they believe in the viability of their investments.

"At the same time, we could do pump-priming to get more funds to circulate and spend money on projects," he added.

The Government introduced the first stimulus package in March 2001 by injecting RM3 billion.

It added another RM4.3 billion towards the end of 2001 in the aftermath of the Sept 11 terrorist attacks.