

**Budget deficit to rise on new stimulus package**  
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**Abdar Rahman Koya**

The government said its 2009 budget deficit will be higher than the forecast 4.8 percent of gross domestic product, because of a new stimulus package aimed at averting a recession.

Deputy Prime Minister Najib Razak told state media the size of the deficit "depends on the fiscal pump-priming that we are going to do" but that the government was aware of the need for it not to be "too high".

parliament stimulus package najib 041108 pc 02Malaysia announced a RM7 billion stimulus package last year but has said that a second one will be launched soon.

"I am working on it. I will let you know," Najib said when asked about the timing of the launch of the new package, according to the official news agency Bernama.

The new measures have been billed as being focused on helping companies and workers affected by the global slowdown.

Najib said more than 70 percent of the initial seven billion ringgit stimulus programme has been disbursed, mostly on improving roads, schools and low-cost housing.

The government had already widened its deficit forecast for 2009 to 4.8 percent, from the 3.6 percent predicted in August, due to the additional government spending.