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Call for govt to consider supplementary budget

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THE government should consider a supplementary budget to address uncertainties especially an economic slowdown due to the unstable US economy.

Institute of Strategic and International Studies of Malaysia chief executive officer Datuk Dr Mahani Zainal Abidin said this would help

overcome any unexpected events.

"The government can use this budget for next year if it is needed," she told reporters after chairing the CEO Forum organised by the Perdana Leadership Foundation in Kuala Lumpur yesterday.

Mahani was also confident the country could achieve between six to seven per cent economic growth, which is far more better than the Asian Development Bank's (ADB)

forecast of 6.8 per cent.

"I think the ADB is conservative in their thinking because we can achieve between six to seven per cent growth in our economy. For the first quarter of the year, we have already achieved nine per cent. Even though the second quarter was slightly slow, we still achieved seven per cent.

"That is why I am confident that the country can achieve more than

what was predicted by the ADB," she added.

However, a slowdown in the US economy could pose risks to the local economy.

"When the US economy is down, it will not import and that is a risk.

"The other factor is the exchange rate. When the ringgit becomes stronger than other nations, then it will also affect exports a little," added Mahani.

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