

Unite and focus on goal, says Abdullah

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KUALA LUMPUR: The government is confident the second stimulus package totalling RM60 billion will be able to cushion the country from the impact of the global economic recession, Prime Minister Datuk Seri Abdullah Ahmad Badawi said.

He said action taken in the package will help Malaysia sail through the recession if they are well implemented.

"For such a big budget, it needs determination and cooperation from all quarters, including the private sector, to make the implementation a success," Abdullah said at a press conference at the parliament lobby with his deputy, Datuk Seri Najib Abdul Razak, who presented the mini-budget.

"The recession will become worse. Najib has also stressed how important it is for us to really understand (the impact of the recession) as the future is not easy.

"However, the stimulus package will help alleviate our suffering and all depends on the people, who should give us the support."

Abdullah said what is needed is to be united and focused on one goal.

Other reaction:

► MCA president and Transport Minister Datuk Seri Ong Tee Keat said the second stimulus package showed the government cared about the difficulties faced by the people.

He said it would also create work opportunities.

"We also see new projects that will help improve the competitiveness of the country, like the building of a new low-cost carrier terminal, which shows the government's commitment to better the air services sector and stimulate the economy," he said.

► Penang Chief Minister Lim Guan Eng was disappointed that there was no direct aid given to families.

"Although the amount is big, what would the man in the street benefit from? We want to know the direct benefit to the people," he told reporters.

Lim said direct aid is important and the people should have been given cash incentives, like what has been implemented in Singapore, Taiwan and Thailand.

"If there are huge projects, I propose that there should be open tender for all and not just

for companies registered with the Finance Ministry," he said.

► DAP information chief and Petaling Jaya Utara MP Tony Pua said the actual amount the government is forking out is only RM15 billion, "which is too small".

"There are some good measures for the long term, like the RM25 billion guarantee scheme for manufacturers, but such measures take a long time to (have an) effect," he said.

"In a crisis budget, we have to think of two aspects – short-term measures, and medium- and long-term measures – and I do not see any short-term measures.

"In times like these, it is important for us to put money into the pockets of the people, especially those who are in need. I do not see any unemployment benefit, not even the conventional measures like food stamps or coupons for the people to buy goods, which will immediately have an impact."

► Malaysian Employers Federation (MEF) said companies will be able to save more than RM400 million in the next two years with the reduction in the contribution to the Human Resource Development Fund (HRDF) under the second economic stimulus package.

MEF executive director Shamsuddin Bardan told Bernama this was something the employers had been asking the government since last year. At present, the employers pay RM1 a worker a month towards the fund. This has been reduced to 50 sen a worker.

The government should consider giving a full waiver on the retrenchment sum received by the workers, he said. The package had proposed a 40% waiver.

► Universiti Kebangsaan Malaysia (UKM) economist Prof Dr Mansor Jusoh said the RM15 billion fiscal injection in the stimulus package is a short-term measure to avoid the contraction of the economy.

He told Bernama the fiscal injection would ensure that the Gross Domestic Product (GNP) growth would not be negative because of the lower demand for Malaysian products from abroad.

"However, the effect will depend on how the allocation is spent," he said.

Mansor said the fiscal injection would ensure that the unemployment rate would not worsen and the workers would not be victimised.