

Dr M to decide after meeting Finance Minister

Daim writes quit request

13 JAN 1981

KUALA LUMPUR, Sat. — Finance Minister Datuk Paduka Daim Zainuddin has written to the Prime Minister expressing his desire to resign from the Cabinet and Datuk Seri Dr Mahathir Mohamad will make a decision after meeting him.

Dr Mahathir said today that Datuk Paduka Daim had asked that he be allowed to resign as he had fulfilled his task of placing the economy of the country on a sound footing.

Dr Mahathir said he received the letter last week and that he would talk to the Finance Minister soon before making a decision.

The Prime Minister said Datuk Paduka Daim's personal letter said that he accepted the position of Finance Minister in 1982 solely to revive the economy which was in very bad shape.

"We had agreed that the country's economy needed to be completely restructured then as foreign debts were getting from bad to worse and I promised to relieve him of his duties once the economy returned to a sound footing.

Asked whether it was possible for Datuk Subramaniam to be appointed a Senator (to pave the way for him to be appointed Deputy Minister) as he had served the Senate two terms from 1979 to 1982, Dr Mahathir said he would have to seek legal advice.

"We have to check whether he had served as Senator before or after the ruling was made on the period a person can serve the Senate," he said, adding that currently, a person could only serve two terms.

Dr Mahathir said the supreme council today decided to form a working committee to study the recommendations made by Deputy Prime Minister Ghafar Baba on the interference by the palace in politics.

He said Encik Ghafar, who headed the committee, had submitted some recommendations.

No interference

A working committee which will include Dr Mahathir, Encik Ghafar, the three Umno vice-presidents, secretary-general and other key officials, would study the recommendations before arriving at a decision.

He said the supreme council also discussed the political situation in Sabah and Kelantan and decided

"It was on this condition that Datuk Paduka Daim accepted the position," Dr Mahathir told reporters after chairing the first Umno supreme council meeting this year.

Dr Mahathir said Datuk Paduka Daim felt that since he had succeeded in his job of turning the economy around, he should be relieved of his current tasks.

'Very happy'

The Prime Minister said he had yet to make a decision and could only do so after discussing the matter with Datuk Paduka Daim.

On the change of heart by MIC president Datuk Seri S. Samy Vellu in recommending his deputy, Datuk S. Subramaniam, as a Deputy Minister, Dr Mahathir said he was very happy that the two MIC leaders had reached an understanding and were willing to work together for the betterment of the Indian community.

He said Datuk Seri Samy Vellu had submitted two names which included Datuk Subramaniam for the two Deputy Ministers' posts yet to be filled and he would be making an announcement on the positions soon.

that the Federal Government would not interfere in any decisions made by the Kelantan Government.

Asked whether the Barisan Nasional would interfere in disputes between Semangat 46 and Pas, Dr Mahathir said: "It is their problem and we will not get involved."

On the proposal by the Kelantan Government to impose *hudud* laws, the Prime Minister said the Federal Government had no intention of interfering in any decision made by the Pas-led State Government.

"If the Kelantan Government wants to challenge any one opposing the *hudud* laws in court, we will not try to stop them. We will only inform the courts of actions that violate the constitution.

"The Kelantan Government should be aware that *hudud* laws are not confined to cutting of hands and heads only. They will also have to decide whether this law is applicable to both Muslims and non-Muslims.

"At the moment, the State Government is free to impose any law in Kelantan such as the closing of premises used for lotteries and other gambling activities. If they are against the collection of *riba* (interest), they can also do something about it," he said.