

Special foundation set up to help Langkawi folk

PULAU LANGKAWI, Thurs. — The Government has set up a special foundation to help Langkawi folk affected by the "uneven" development of the island, the Prime Minister said today.

Datuk Seri Dr Mahathir

Mohamad said this was necessary because some locals had not benefited from the island's development as certain areas had to be retained to keep their pristine beauty.

He said Amanah Saham Anak Langkawi would provide help only to those

born and bred in the island.

Dr Mahathir said returns from the Langkawi Development Authority investments might be channelled to a special fund managed by the foundation to assist the islanders.

"We do not intend to give out charity but only provide the impetus to show the way forward," he said after discussing the island's progress with heads of government departments at the district office here.

There are about 42,000

people living in Langkawi.

Dr Mahathir, who arrived here yesterday, was also briefed on the LIMA '91 air and maritime show to be held in November.

He said the only worry was whether enough rooms would be ready by then, adding that "temporary accommodation" would be created as a contingency measure.

On the "legality" of the Kelantan by-elections, Dr Mahathir said the Barisan Nasional would leave it to the courts to decide.

"There is a possibility that the courts may rule against the by-elections," he said when commenting on a report today that the two Barisan candidates had filed a fresh writ at the Kuala Lumpur High Court to stop the by-elections on Aug 24.

Haji Nordin Salleh and Haji Wan Mohamed Najib Wan Mohamad had named the Kelantan State Assembly, the Speaker and the Election Commission as defendants.

aimed at curbing domestic consumption and inflation, Dr Mahathir said the steps were necessary as the economy was growing rapidly.

"By increasing interest rates, this will reduce the demand for imported goods which will check inflation.

"But the people must play their part by refraining from buying expensive goods, and this will automatically check the price (of such goods)," he added.

He said if the people persisted in buying expensive imported goods, the inflation in the foreign countries would be "imported" into Malaysia.

Bank Negara announced yesterday that the new measures would tighten conditions imposed by banks, financial institutions and merchant banks on hire-purchase loans for motor-vehicles.

Dr Mahathir said the Government did not want the people to buy foreign