

Honesty crucial to banking sector's success, says PM

KUALA LUMPUR, Tues. — Prime Minister Datuk Seri Dr Mahathir Mohamad said trust, financial integrity and confidence are crucial to the banking sector's success and should not be compromised.

He said banks and financial institutions only incurred losses if their management was not honest and carried out improper practices.

"It is very important that banks have the confidence and mutual trust of depositors and investors as only then can transactions be carried out smoothly.

"Depositors will not invest their money with a bank if they have no confidence in it.

"Similarly banks must realise that the funds they are managing is not their own but that of their clients and the money must be prudently managed," he said at a dinner held in conjunction with the Silver Jubilee celebration of Bank Peman-

gunan Malaysia (BPM) at Shangri-la Hotel here tonight.

He said bank management and staff should not get themselves involved in any scheme that may jeopardise not just their position but that of the bank itself.

Also present were Datin Seri Dr Siti Hasmah Mohd Ali, Agriculture Minister Datuk Seri Sanusi Junid, his wife Datin Seri Nila Inangda Manyam Keumala, BPM chairman Datuk Ahmad Badri Mohamed Basir and general manager Ibrahim Hashim.

Dr Mahathir said the banking industry was one based on trust and this was crucial to its growth and development.

He said there had to be mutual trust between both depositors and bank management if they were to prosper and grow.

"If there is no sincerity by the bank staff then the bank cannot grow and develop. In

this sense trust is crucial to the banking industry."

Dr Mahathir hoped Bank Pertanian Malaysia would not suffer any financial losses and wished it every success in all its endeavours.

Dr Mahathir said the bank's success was a reflection of the success of the country's farmers and agriculture sector and hoped both would be able to profit equally from the bank's growth.

Ahmad Badri later presented a cheque for RM480,000 to Dr Mahathir for the Ex-Servicemen's Association.

Ibrahim also presented a cheque for RM100,000 to Dr Mahathir for the World Institute of Poverty Eradication (WIPER), a Kuala Lumpur based organisation whose chairman is Sanusi Junid.

Those present were also shown a video show of the bank's role and contributions to society.