

27 JUL 1996

Anwar-Savings

GOVT TO ANNOUNCE NEW INCENTIVES TO ENCOURAGE SAVINGS

BUKIT MERTAJAM, July 27 (Bernama) -- The government will announce new incentives next week to encourage higher savings by the people to further curb inflation, Deputy Prime Minister Datuk Seri Anwar Ibrahim said today.

Anwar, who is the Finance Minister, said several new savings instruments will be introduced to raise the annual national savings rate to about 35 per cent from the current 33 to 34 per cent.

Proposals to encourage savings, including from Bank Negara, are being considered by the government and a final decision on them will be made at a high-level meeting next week, he said.

Besides Anwar, the meeting will also be attended by several other ministers, including the Domestic Trade and Consumer Affairs Minister, Education Minister and Human Resources Minister.

In addition, the Treasury, Economic Planning Unit, Bank Negara, financial institutions and unit trusts will be represented, he told reporters after a meet-the-people session at Penanti here.

"At this meeting, we will discuss measures to raise savings and encourage the saving habit among the people at various levels, including the younger generation," he said.

The Wawasan 2020 Trust Fund soon to be launched by Prime Minister Datuk Seri Dr Mahathir Mohamad is among the ways to encourage savings, he said.

Anwar said excess liquidity in the economy will lead to inflation and steps must be taken early to encourage the people to spend less and save more to help government efforts to contain inflation and sustain the robust economic growth.

At the meeting with the people of Penanti, Anwar listened to their problems and helped to settle them with the assistance of senior state officials who were present.

He held a similar meet-the-people session at Kampung Surau, Seberang Jaya.

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