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All-round support (HL)

KUALA LUMPUR, Sat. - The people today came out in support of the new package of "strategic but painful" economic measures announced by the Government to strengthen the country's resilience and self-reliance.

Among those who gave their backing to the measures intended to further strengthen the country's economic and financial stability were the 800,000-strong civil service and the country's two foremost opposition parties.

The Chief Secretary to the Government, Tan Sri Abdul Halim Ali, said in a statement today that the public service sector fully supported the Government's efforts to overcome the financial problems faced by the country.

"All Government officers will give their full co-operation in efforts to save expenditure in all ministries, departments including statutory bodies," he said.

In this matter, he added that senior Government officers were willing to accept any cost-saving measures involving benefits currently enjoyed such as flights and hotel accommodation while carrying out their duties at home and abroad.

He said the officers were also willing to respond to the Government's call to select local destinations for their holidays to reduce the outflow of money.

At the same time, he said they would study other efforts to reduce Government expenditure.

Specific directives would be announced in the next few days, he added.

Finance Minister Datuk Seri Anwar Ibrahim when making the announcement yesterday, among other things mentioned the downward revision of growth projection from seven per cent in the 1998 Budget to between four and five per cent.

Other measures include further revision to strengthen the balance of payment position by reducing the current account deficit from four per cent of GNP in 1998 to three per cent and to protect depositors interests.

To do this, the Government is determined to cut Federal expenditure by at least 18 per cent, beginning with an immediate 10 per cent cutback across the board of both operating and development expenditure and eight per cent on a more selective basis.

As announced by Anwar at yesterday's Press conference, the new measures would be tabled in Parliament on Monday.

Gerakan president Datuk Seri Dr Lim Keng Yaik, in expressing the party's support for the measures, said: "It is a Cabinet decision and we fully support it. It is time for us to focus on solutions rather than market forces."

Bernama quoted Dr Lim as saying in a statement that the Government was fully aware of the economic problems facing the nation as a result of the currency and stock market problems.

He said the Government was taking the preventive measures to show that it was bringing about a turn-around without having to depend on the International Monetary Fund.

"I appeal to the people to accept these tough measures and focus our attention on the turn-around so that we will not face the same problem as those who depended on the IMF rescue package," he added.

Umno Youth chief Datuk Ahmad Zahid Hamidi said the movement gave its

full support to the bold measures taken by the Government to address the nation's economic problems.

Speaking to reporters after chairing the Umno Youth executive committee meeting here, he said all Malaysians should cultivate a sense of economic nationalism.

In Langkawi, DAP secretary-general Lim Kit Siang felt the measures would restore some confidence in the economic and financial stability of the nation.

He was speaking to reporters after an hour-long meeting with Prime Minister Datuk Seri Dr Mahathir Mohamad at a chalet at the Mahsuri International Exhibition Centre.

In Kota Baru, Menteri Besar Datuk Nik Abdul Aziz Nik Mat reaffirmed support for the Federal Government's efforts to safeguard the country's "economic sovereignty".

He said Pas would continue to back any move that was good for the country.

In Penang, Chief Minister Tan Sri Dr Koh Tsu Koon said the State Financial Officer would review how and where savings could be made.

He said, however, that allocations for projects like flood alleviation and housing would not be slashed but would be more effectively used.

In Jeli, Entrepreneur Development Minister Datuk Mustapa Mohamed described as appropriate the measures to strengthen the economy.

In Muar, Pan-Malaysia Lorry Owners' Association deputy president Er Sui See said the measures were a step in the right direction.

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