

11 OCT 1997

Ringgit-Effect

EFFECTS OF THE FALL OF THE RINGGIT TO BE FELT IN THREE MONTHS, SAYS LIM

BERUAS, Oct 11 (Bernama) -- Malaysians will begin to feel the effects of the fall of the ringgit in three months as goods they buy will be new stocks purchased with the lower ringgit, Primary Industries Minister Datuk Seri Dr Lim Keng Yaik said today.

He said that the prices of some goods had not increased yet as they were old stocks leading some to believe that there was no effect on them at all from the fall of the ringgit.

Lim however said that the ringgit would stabilise and the country's economy would further strengthen through the people's discipline by being thrifty and prudent in their spending especially in terms of imported goods.

"The people should heed the government's call for prudence in their spending to restore the value of the ringgit and the country's economy," he said at a meet-the-people session at Kampung Paya Lima here yesterday afternoon.

Commenting on the unstable rubber prices, he said this was because the other rubber producing countries declined to cooperate with Malaysia in regulating production.

He said that those countries continue to increase their exports without regard for the market and this caused the unstable prices.

In KOTA BAHARU, Rural Development Minister Datuk Annuar Musa said that some 1,000 senior officers of agencies under the ministry would be given a special briefing so that they would fully understand the issue and able to explain the situation to the people.

"I will brief them myself and they will be informed of the background of the fall of the ringgit and the effects on the country and the people in the rural areas so that they will take measures to avoid wastage," he told reporters last night.

Annuar said that people in the villages should not only understand the factors for the fall of the ringgit but also take measures to deal with its effects.

Annuar, who is the deputy chairman of the Kelantan Umno liaison committee, welcomed the stand by Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat in supporting Prime Minister Datuk Seri Dr Mahathir Mohamad in dealing with the country's economic problem. -- BERNAMA

RZS/WM MAI RM