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GOVT MAY CURB HEAVY MACHINERY IMPORTS, SAYS PM

KUCHING, Aug 19 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today said the government may impose restrictions on the import of heavy machinery in the 1998 budget to be tabled in Parliament in October.

He said continuous importing of heavy machinery such as crane, excavator and bulldozer had contributed significantly to the country's balance of payments deficit.

"The traders must realise that this deficit is a national problem and it will affect the traders themselves later on," he said in a press conference at the end of a two-day visit to Sarawak.

He said the number of heavy machinery is so huge and yet traders continued to import them.

"In Kuching alone, you can see yard and yard full of this thing (heavy machinery) and yet they are still buying and if we keep on with our bad habit, the deficit will never go away," he said.

The Prime Minister said the traders now could sell the machinery and reap profits for themselves and in doing so, they also contributed to the country's deficit.

"At the moment we want traders to voluntarily stop importing the machinery but if they don't, we are thinking of putting restrictions on the import," he said.

When asked to elaborate on the type of restrictions the government was going to impose, Dr Mahathir said he would have to consult the Finance Minister on the measures.

Last week, Deputy Prime Minister and Finance Minister, Datuk Seri Anwar Ibrahim gave an assurance that the 1998 budget to be tabled on Oct 17, would look at serious measures to curb Malaysia's imports and focus on expanding exports.

The government, he had said, would take into account any monetary measures including the use of taxes to increase exports and reduce imports.

Malaysia recorded a trade deficit of RM2.8 billion for June this year due to imports rising 23.7 percent year-on-year to RM19.3 billion, the bulk of which comprised lumpy imports.

Dr Mahathir reiterated that all projects would be carried out as planned.

"We manage our finances well, except that there are financial crooks who are trying to sabotage us...of course they said (what they are doing) it was normal trading but if that happens to their country it will not be normal," he said.

He said George Soros, whom he named as the person responsible for weakening the ringgit, was worse than what Robin Hood had done.

"At least Robin Hood robbed the rich to help the poor, but this person robbed the poor to enrich the rich," he said.

He said Soros instead of continuing to sabotage the Asean currencies should go for retirement and prepare for his future.

"At least after robbing Britain of 2 billion pound, they should prepare for their future life... in the other world," he added.

Meanwhile on the Kuala Lumpur forex market, the ringgit closed lower against the U.S. dollar today in volatile trading, with sentiment on the greenback still bullish, dealers said.

The local unit ended the day at 2.7900/50 to the greenback against 2.7880/30 at the close yesterday. -- BERNAMA

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