

28 FEB 1997

PM: MEETING ON TACKLING ECONOMIC ISSUES PRODUCTIVE

KUALA LUMPUR, Feb 28 -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the public and private sectors now have a clearer idea of what they ought to do when tackling various economic issues, including the balance of payment deficit.

He said this following a three-hour meeting of the high-powered Malaysian Business Council, which comprises leading corporate captains, at Bank Negara here.

He said the council studied various working papers pertaining to the country's balance of payment deficit.

"The recent reduction in the country's trade deficit was also explained; the reduction was partly due to the yen's depreciation," Mahathir said.

Malaysia recorded a lower trade deficit of RM618 million in 1996, a decrease of RM8.7 billion, or 93.4 percent, compared with the deficit of RM9.4 billion in 1995.

The meeting also discussed a paper by Bank Negara on the services industry and what should be done in the transport, shipping and insurance sectors to improve the industry further.

A number of ways were suggested to overcome problems related to trade, the Prime Minister said.

Also present at the meeting were Deputy Prime Minister Datuk Seri Anwar Ibrahim, Foreign Minister Datuk Abdullah Ahmad Badawi, International Trade and Industry Minister Datuk Seri Rafidah Aziz, Primary Industries Minister Datuk Seri Dr Lim Keng Yaik, Works Minister Datuk Seri S. Samy Vellu, Entrepreneur Development Minister Datuk Mustapa Mohamed, Domestic Trade and Consumer Affairs Minister Datuk Abu Hassan Omar, the Chief Secretary to the Government Datuk Halim Ali and Secretary-General of the Finance Ministry Tan Sri Clifford Herbert.

Others included Bank Negara Governor Datuk Ahmad Mohd Don, Permodalan Nasional Bhd Chairman Tan Sri Ahmad Sarji Abdul Hamid, National Chamber of Commerce and Industry Chairman Tan Sri Yahaya Ahmad, Malaysian Airlines Chairman Tan Sri Tajudin Ramli, Binariang Sdn Bhd major shareholder Ananda Krishnan and Datuk Dr Noordin Sopiee, Director-General of the Institute for Strategic and International Studies (ISIS).

Datuk Francis Yeoh, Managing Director of YTL Corporation Bhd, described the meeting as useful for the public and private sectors to get feedback.

The meeting afforded the private sector to know the government's stand behind various policies and allowed the government to evaluate private sector ideas in a pragmatic way, he said.

For instance, he said, if the government wanted to introduce any rules or regulations the private sector would be able to provide its input.

"At least, there will be a reality sift on an idea," he said in reference to putting ideas to a "practicality" test.

Yeoh said the meeting also discussed the social responsibilities of the private sector in nation building.

"The private sector may have a lot of ideas (on business) but sometimes it may lose its aspirations on social responsibilities. So rather than focus on economic issues alone, the meeting was told that the private sector should also concentrate on the various social ills confronting the country," he added.

Yeoh said it was good to be aware of these matters and how the private

sector could contribute.

Commenting on the discussion on information technology (IT), Encik Ismail Sulaiman, Managing Director of Mesiniaga Sdn Bhd, said the Prime Minister had stressed the importance of IT and the Multimedia Super Corridor. -- BERNAMA

HS SHY GC