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Mahathir-Companies

SABAH PUBLIC LISTED COMPANIES SUPPORTS DR MAHATHIR

KOTA KINABALU, Oct 9 (Bernama) -- Leaders of Sabah public-listed companies today came out in full support of Datuk Seri Dr Mahathir Mohamad's leadership and the government in solving the current problems associated with the depreciation of the ringgit and the fall in the stock market.

Spokesman for the companies Datuk Joseph Ambrose Lee, said to further illustrate the companies' support of the government, a federation of Sabah-based public-listed companies was being considered to harness the expertise and resources of the companies to rally behind the government's development efforts.

"The formation of the federation would enable us to speak with one voice on the current and future situations," he said in a statement released through Institute for Development Studies (IDS).

They pledged the support after attending a meeting on the "Impact of the Ringgit's Devaluation and Downturn of the Kuala Lumpur Stock Exchange on Sabah-based Public Listed Companies," at IDS, here.

It was attended by chief executive officers and representative of the companies involved as well as bankers and senior government officials and chaired by Sabah Finance Minister Datuk Karim Bujang.

Lee said: "We are in full agreement that the Prime Minister understands the situation very well and are confident that he is able to steer the country out of the current turbulence," he said.

The Sabah-based listed companies, which as of yesterday had a total market capitalisation of RM14 billion, also welcomed the initiative of the government for involving all parties in seeking solution to the problems.

"With the full cooperation and support, the nation should be able to emerge stronger, more competitive and resilient and capable to withstand future challenges," said Lee who is Construction and Supplied House Bhd (CASH)'s managing director.

On today's meeting, Lee said, several recommendations had been adopted as strategies to minimise the impact of the economic situation which includes:

- * To encourage the setting up and expansion of "defensive business" such as tourism, plantation, manufacturing and food-processing which would create export earnings and boost trade.

- * Reduce spending to reduce trade deficit by finding alternatives to the annual RM4 billion imports of mostly machinery and transport equipment, such as encouraging the use of local manufactured goods.

- * Bring Labuan International Offshore Financial Centre (IOFC) to maturity by using it as a centre to handle all re-financing and foreign currency accounts.

"The meeting also resolved to urged the federal government to consider initiatives such as mooted the idea of an Asean Currency Unit and expedite the realisation of Brunei, Indonesia, Malaysia and the Philippines-East Asean Growth Area (BIMP-EAGA)," he added. -- BERNAMA

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