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ACCCIM backs PM's call on lending

THE Associated Chinese Chambers of Commerce and industry of Malaysia yesterday backed the call by Prime Minister Datuk Seri Dr Mahathir Mohamad for banks to lower effective lending rates.

In a statement, ACCCIM president Tan Sri Wee Boon Ping called on the financial sector to strengthen co-operation with the business community to create a win-win situation out of the present economic predicament.

He urged commercial banks to take heed of Dr Mahathir's advice to lower the effective lending rates and to step up financing of viable and productive enterprises.

To date, there have been too many allegations that banks withdraw or reduce credit lines, refuse to provide financing facilities and set high effective lending rates, said Wee.

Touching on the impact of the regional financial woes on the economy, he said one major factor for the market recession was tight credit control by the banking system.

Despite the projected credit growth of 15 per cent this year by the Government, Wee said the business community was still facing great difficulties in obtaining loans and credit.

The proper role of the banking system was to work with entrepreneurs to ensure the engine of growth functioned effectively, not to stifle it.

Commercial banks, in particular, should not practise protectionism at the expense of their clients, he said.

Wee also reiterated ACCCIM's whole-hearted support to the Government under the leadership of Dr Mahathir in its efforts to overcome the nation's economic predicament.

He criticised certain foreign influences for currency and stock market manipulations as well as negative media reports aimed at disrupting the nation's stability.

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