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Banks urged to ensure funds reach right SMIs

BANKS, entrusted to disburse special funds to small - and medium-sized industries (SMIs), should make the effort to ensure the funds reach the rightful applicants, Pahang Umno Youth said.

Its representative, Encik Abdul Hamid Mohamed Nadha, said there should be an effective network between the implementation agencies such as banks and the relevant authorities, including the Government, in disbursing the funds.

At present, banks seemed to react only when the Prime Minister Datuk Seri Dr Mahathir Mohamad, Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim and relevant ministers commented on the issue.

"Prior to remarks by the Prime Minister and Deputy Prime Minister on banks' reluctance to give out loans, we had been asking them to do so.

"But who are we to give a directive to banks although the Government had approved the allocation for funds to the SMIs," he said when debating the resolution on the economy at the movement's assembly in Kuala Lumpur yesterday.

Abdul Hamid also suggested that the word "fund" or "tabung" used to describe the money allocated for SMIs be changed to "allocation" instead.

"In Malay, tabung means to save and for the Malays, when anything is put in as savings, it will be difficult to take out.

"Banks may have the same definition for the SMI Fund," he said in jest.

Abdul Hamid also took to task certain established corporations such as Petronas for not doing enough to help develop more Bumiputera entrepreneurs, including SMIs.

"There are many big companies which pledged to help but came out empty-handed. These giant corporations should review their role...", he said.

Federal Territory representative Ahmad Fauzi Zahari shared Abdul Hamid's view, adding that there are at present some 25,000 ailing Bumiputera SMIs in need of financial assistance.

"What we hope to see is that there will be a smaller number of poor and low-income earners among Bumiputeras, and a substantial number in the middle income group," he added.

Perak representative Hamdan Tahar said the party should return to the culture of criticism to ensure the survival of Umno.

"Assemblies and meetings such as these should be used to convey the opinions of the rakyat and not to overly praise the leadership," he said.

He expressed the worry that if this culture is not accepted, the public may lose confidence in the party and this could lead to Umno losing in the next election.

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