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Importers, exporters back call to use own currencies

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KUALA LUMPUR, Thurs. - Prime Minister Datuk Seri Dr Mahathir Mohamad said today Malaysian importers and exporters had supported the Government's call that their dealings with foreign trading partners be carried out using their respective currencies.

They also supported the Government's proposal to carry out counter trade with their partners, which means that only the difference of the value of goods imported and exported, would be paid, he said.

The chief executive officers of about 200 Malaysian trading companies with whom Dr Mahathir held a two-hour dialogue also agreed to use local ports to maximise their returns.

Representatives from major sectors of the economy, including airlines, textile, electronics, commodities, hospitality, shipping, banking, telecommunications and properties, were present at the closed-door meeting organised by the Malaysia External Trade Development Centre.

Among those present were International Trade and Industry Minister Datuk Seri Rafidah Aziz, Malaysia Airlines executive chairman Tan Sri Tajudin Ramli, Berjaya Group chairman Tan Sri Vincent Tan, Arab-Malaysian Corporation Bhd executive chairman Tan Sri Azman Hashim, Globe Silk Store group executive chairman and chairman of Matrade Tan Sri Kishu Tirathrai, Country Heights Holdings Bhd group managing director Tan Sri Lee Kim Yew and group executive chairman of Kumpulan Guthrie Bhd Tan Sri Abdul Khalid Ibrahim.

Dr Mahathir said the arrangement would help increase import-export trade although the value of their currencies against the US dollar or other foreign currencies were low.

"We can carry out trade without being adversely affected by the value of our currency (against the US dollar)."

He said Bank Negara would set up a clearing house which would keep records of all imports and exports so that importers would pay exporters for goods purchased.

Dr Mahathir said certain goods, including commodities, would be valued in US dollars but the actual payment would be made in each other's currencies.

On interest rates, he said the effective rates in the country had been reduced.

"We have lowered the statutory reserve requirement in order to reduce the cost of funds."

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