

10 APR 1998

Mahathir-meeting

MAHATHIR CHAIRS NEAC MEETING ON FISCAL POLICIES

KUALA LUMPUR, April 10 (Bernama) -- The National Economic Action Council (NEAC) met today and specifically discussed steps towards strengthening further Malaysia's macro-economic fundamentals, the NEAC Secretariat said.

The meeting, chaired by Prime Minister Datuk Seri Dr Mahathir Mohamad, also discussed the need to establish a balanced approach in handling monetary and fiscal policies to ensure that overall socio-economic development was not severely affected.

All Menteri Besar and Chief Ministers, except for Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat who is currently abroad, attended the meeting, it said in a statement.

Discussions also centred on major issues and problems confronting the nation's economy, including the weakening of the ringgit and the stock markets this week.

The meeting was also briefed on the progress made by various agencies as well as state governments in implementing measures suggested by the NEAC in the first meeting and approved by the Cabinet, to handle the nation's economic problems and the social impact of the current crisis.

According to the statement, the council also discussed several recommendations of the NEAC executive committee from the first meeting last March 13 and the second, today.

These include measures to restore public and restore confidence in the Kuala Lumpur Stock Exchange (KLSE) and Malaysia's capital market, strengthen the ringgit, mitigate against the negative impact of the weak ringgit on primary commodities and commodity-based industries, and reduce the effects of the impending crisis in the property sector.

The council also considered strategies to deal with the problems of the automobile and construction industries and of increasing prices.

The statement added that the NEAC views on these matters would be forwarded to the cabinet for its consideration. -- BERNAMA

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