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MAHATHIR-NEW SET OF RULES

NEW SET OF RULES TO BE FORMULATED TO HELP COMPANIES OUT OF DISTRESS

KUALA LUMPUR, July 7 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today said new sets of rules, regulations and laws need to be formulated as the present laws and rules and banking practices tend to aggravate the problems of corporations during economic turmoil.

The ease with which currency devaluation accompanied by share depreciation can distress even the most sound of companies pointed towards a need for new rules and regulations as well as laws to improve the resilience of corporations.

"However, these will have to be studied," he said in his keynote address to celebrate the Registry of Companies' (ROC) Centennial as well as to launch the International Conference on Corporate Governance here.

Dr Mahathir maintained that the idea was not to help bad companies but to enable good companies to survive when their failure was not of their own making, and to turn them around.

He said the survival and the profitability of these companies were not just for their own good but for the good of the nation as a whole.

At a press conference later, the prime minister said the country would have to go on with its own monetary policies to tackle the current economic problem.

"Since the others cannot resolve it for us, we will have to resolve it ourselves. We can't sit by and let other people dictate terms or benefit from our own economic problems," he added.

To a question on the exchange rate, he said even if Malaysia were to behave itself, there was still difficulty in achieving a stable exchange rate because of problems in other countries within the region.

On whether the government would be making new policies to address the current economic problems, he said it was still studying on what it has to do.

On his opposition towards foreign inflow of capital (especially for speculative purposes), he said Malaysia had always welcome foreign investments, especially in the production of goods for exports.

"However, if they want to come in to push up prices and then dump the shares...we need not go through that again. These we can do without," he added.

The ROC is celebrating its 100th year of establishment after it approved the incorporation of the first company under its purview, Kuala Kangsar Plantations Company Ltd, on March 29, 1898.

As of July 4 this year, ROC has incorporated a total 468,741 companies, said the current Registrar of Companies, Datuk Ramly Haji Ali, who added that the agency still need to double its effort for greater excellence.

The ceremony today honoured past registrars -- Tan Sri Gunn Chit Tuan, Datuk Nik Hussein Nik Ali, Encik Abdullah Ghazali, Tan Sri Zulkifli Mahmood, Datuk Mokhtar Sidin, the late Ahmad Haji Abdul, Datuk Mohd Ghazali Mohd Yusof and Puan Zainun Ali.

Five of the companies with the earliest date of incorporation were also honoured today -- The Ayer Hitam Planting Syndicate (March 1907), Rahman Hydraulic Tin Bhd (May 1907), The Ayer Molek Rubber Company Bhd (Oct 1909), The United Malacca Rubber Estates Bhd (April 1910) and Kwong Wah Yit Poh Press Bhd (February 1911). -- BERNAMA

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