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Parliament-Cooperatives

PARLIAMENT: 59 COOPERATIVES HIT BY ECONOMIC SLOWDOWN

KUALA LUMPUR, Nov 24 (Bernama) -- The government has identified 69 cooperatives throughout the country that have been hit by the economic downturn, the Dewan Rakyat was told today.

Deputy Land and Cooperative Development Minister Dr Goh Cheng Teik said said shares bought by the cooperatives using bank loans had fallen sharply in value.

The cooperatives were also affected by the rise in interest rates which meant higher monthly repayments, he said when replying to Dr G. Leelavati (BN-Kapar).

"The cooperatives have taken several measures like negotiating with financial institutions to reschedule loan repayments, improve their financial management and exercise greater prudence in spending," he said.

To a supplementary question from M. Kulasegaran (DAP-Teluk Intan), Dr Goh said 41 of the cooperatives were able to service their loans while another nine could do so if payments were rescheduled.

"The remaining nine are in a serious condition with total outstanding loans of RM13.7 million as at the end of June this year," he said.

These nine cooperatives operated in Perlis, Kedah, Kelantan, Terengganu, Negeri Sembilan, Pahang and Johor, said Dr Goh.

"Their position have been brought to the attention of the Finance Ministry and also the Prime Minister, Datuk Seri Dr Mahathir Mohamad," he added.

-- BERNAMA

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