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Spend wisely, boost savings, PM advises Malaysians

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KUALA LUMPUR, Tues. - The people can help the country overcome the economic problems if they spend wisely and increase savings in banks, Datuk Seri Dr Mahathir Mohamad said tonight.

The Prime Minister said the people could do so by depositing their cash in the banks and buy local instead of imported goods.

"Saving in our banking system is a good move because the money will be useful and can be mobilised. If we keep money under the pillow, it will not benefit us." Money deposited in banks could be used for various purposes.

Dr Mahathir said this in an interview over Radio Televisyen Malaysia's Wawancara programme aired over TV1 and TV2 tonight. (Transcript of the interview on Page 12)

He was interviewed by panellists Syed Amin Al-Jefri, president of the National Malay Chamber of Commerce and Industry; Prof Hamdan Adnan, president of the Federation of Malaysian Consumer Associations; and chief news editor of The Star, Chua Yew Kay.

Dr Mahathir was asked questions ranging from the "Love Malaysian Products" campaign to the Government's actions to overcome the economic problems.

Asked for his advice to consumers during the current economic problems, he said they should be willing to alienate retailers who profiteer but such action should be calculated and considerate.

"Consumers must exercise care and should not act in haste like imposing boycotts because each time we take such actions, someone will lose out."

Consumers have a big role to play as everybody is a consumer.

On the National Economic Action Council, Dr Mahathir said many of its decisions had already been implemented by the Government but they were not publicised for fear they might irk currency traders.

"They will use that as an excuse to push the value of the ringgit down and sell our shares to force their prices down."

However, he said one of the NEAC's decisions which had been implemented was the setting up of the Pengurusan Dana Harta Nasional Bhd to manage non-performing loans.

Dr Mahathir was also asked to comment on complaints from applicants, mostly entrepreneurs, who had been unable to secure loans from the various funds set up by the Government in the wake of the economic problems.

The Prime Minister said some banks were taking the easy way out to make profits and were not co-operative in extending credit to businesses.

Citing the RM1.5 billion Special Fund for Small and Medium-Scale Industries as an example, he said over three to four months, the banks had only approved RM40 million under the fund.

The Government has advised the banks to extend more loans.

"Here we are facing some problems because it is the opinion of the world that the Government should not instruct banks to give credit.

"Apparently, this is against market policies. So banks must be free to make their own decisions."

The Government would not be able to achieve its targets if banks could not be given instructions, he said.

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