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## Strong support for latest measures

KUALA LUMPUR, Tues. - Consumers' associations, workers' unions and companies today pledged their full support for the Government's latest measures to insulate the economy against further attacks by currency speculators.

Federation of Malaysian Consumers Association president Professor Hamdan Adnan said what is needed now is full support of the people in overcoming the country's recession.

"All Malaysians need to be in solidarity with the Government's measures," he said.

He was referring to Bank Negara's freeze on off-shore trading in the ringgit from Oct 1 and the impending establishment of a fixed exchange rate as announced by Prime Minister Datuk Seri Dr Mahathir Mohamad today.

Stating that the Prime Minister had given many hints of the drastic measures to come during the past week, Hamdan said:

"Other countries have done this before and obviously our Government believes that these measures will result in the desired effect of curbing speculators trading against the ringgit."

Asked if he thought the measures were sound, he said it was too soon to comment and hoped that something good would come out of the "drastic move".

In a similar call, the Malaysian Trades Union Congress voiced its united support for the move.

Labelling the measures as a "very daring move", president Zainal Rampak said: "We are strongly supportive and we fully endorse the decision."

The measures, he said, would hopefully stop speculators from buying the ringgit and draining the resources of the country's financial institutions.

"This would also mean that when money is not out of the country, but within, companies and individuals will be able to borrow money from banks."

This, he said, would encourage growth, increase employment and enable companies to start all over again. Zainal also called on other countries to adopt similar measures.

In welcoming the PM's statement, Cuepacs, the umbrella body for public sector unions, said today the move would ensure that the poor people of Malaysia would not get any poorer by activities of unscrupulous persons out to damage the Malaysian economy.

By fixing the price of the Malaysian currency, the local economy would be further strengthened with genuine long-term investors facilitating the boost in local industries and ensuring the stability of jobs.

"Definite measures such as these are necessary at this juncture to withstand the strong attacks being levelled against the Malaysian currency," said secretary-general N. Siva Subramaniam.

"This is a necessary move which other Governments are taking as well," he said.

In Penang, Free Trade Zone Penang Companies Association (Frepenca) president Yap Peng Hooi said the measures announced yesterday were "fully understandable".

"We are fully appreciative of the fact that the Government has given due consideration to companies which have invested in this country by its assurance that the measures would not impede foreign direct investment

flows and foreign direct investors can freely repatriate their profits and dividends," added Yap.

Many large multi-national corporations in Penang are Frepenca members.

The Consumers' Association of Penang welcomed the measures taken by the Government to restrict the international trade in ringgit and to fix the ringgit's exchange rate.

Its president S.M Mohamed Idris said the measures should be given an opportunity "to work, curb speculation and form the basis for recovery."

"This is a bold measure that may seem unusual. But given the very difficult conditions in the world and the existence of market manipulation by big speculators, these measures should be welcomed as necessary to reduce the country's over-exposure to external forces and events," he said.

"A fixed exchange rate determined by the central bank will also bring about greater certainty and stability," he added, saying that these measures would increase the prospects for recovery.

"It is true some Malaysians may have to bear some inconveniences as they have to bring back their savings that are in ringgit-denominated bank accounts in Singapore and other countries.

"But this is a small personal sacrifice to make for the larger goal of economic recovery," said Mohamed Idris.

In Muar, Menteri Besar Datuk Abdul Ghani Othman said the Johor Government supported the radical economic measures announced by the Prime Minister today.

He said the move was timely and would help curb currency speculation by foreigners and strengthen the country's economy.

"We have no alternative but to introduce the new measures which are not that drastic and would not unduly burden the people," he told reporters after opening the fourth quarter budget briefing by departmental heads here today.

Ghani said Malaysians in Johor who work in Singapore would not be affected by the new ruling, adding that they only needed to return their savings in Singapore banks back to the country.

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