

23 MAR 1998

Agong-Parliament

THE PEOPLE URGED NOT TO CAUSE PROBLEMS AND SUSPICIONS

KUALA LUMPUR, March 23 (Bernama) -- The Yang di-Pertuan Agong Tuanku Ja'afar today called on the people to refrain from resorting to any action that will give rise to problems and suspicions but to heighten their resolves in facing the current challenges.

They should also continue with their sacrifices and strive with full determination in tackling the economic woes, he said.

His Majesty said in the wake of the currency and share market turmoil which had affected economic growth, the people must not deny the positive measures the government initiated thus far.

"With these strength and positive measures we have been able to deal with the national economic slowdown without having to rely on foreign assistance or international financial institutions," Tuanku Ja'afar said when opening the Fourth Session of the Ninth Parliament here.

He said that under the able leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad, the people and the government would have the capability to survive the present economic woes.

While urging the people to remain patient in facing the situation, he said they must have total confidence in the government.

"In the present scenario it is necessary for people from all walks of life to avoid wastages, reduce unnecessary spending, increase savings and invest in sectors which guarantee profitable returns in the long term," he said.

Tuanku Ja'afar said since the last 10 years, the nation had enjoyed robust economic growth due to the hard work of various groups in the country.

However, he said, in so short a time the nation was hit by the decline in the currency value, followed by the share market turmoil.

"Although Malaysia was hit by the financial exchange rate crisis and the worsening share market since 1997, I am confident that the people and the government under Dr Mahathir will be able to meet these unexpected economic challenges," he said.

In this context, the Agong said the government would continue to exercise control to ensure a more prudent public sector spending by reducing the federal expenditure this year.

Tuanku Ja'afar said the national economy was expected to grow at a slower pace because of the moderate world economic growth and the expenditure for domestic demands as opposed to moderate domestic earnings.

From the inflation aspect, the declining ringgit and the rising production costs would result in a slight increase of the consumer price index, he said.

"Efforts to maintain a strong growth must continue based on improved productivity, especially from the competitive and the technologically oriented aspect of human resource development.

"There must be focus on efforts to strengthen the country's balance of payment by encouraging the people to use more local products and services, improve the local productivity sector, exercise thrift and boost export promotion," he said.

The Agong said steps should also be taken to increase domestic savings to finance the economic sector and avoid dependence on foreign loans.

Tuanku Ja'afar said Malaysia would ensure that its trade and investment liberalisation policy would be carried out in stages.

It would also strive for a more liberal export market for local products, he said.

He said the government would continue with its strategic and vital infrastructure development despite the spending cuts and to ensure that there would be sufficient water supply for domestic and industrial needs.

"In this context, the government will ensure that the agencies involved will enforce the law effectively to prevent pollution in the rivers and the environment," he said.

As in previous years, His Majesty's speech touched on education, health, rural development, international relations, unity and consumerism.

On the forthcoming 16th Commonwealth Games here, Tunku Ja'afar said the preparations carried out by all concerned had indicated that Malaysia would make the international event a success, despite the economic slowdown forcing prudent spending.

His Majesty urged members of the Dewan Negara and Dewan Rakyat to carry out their duties and responsibilities with sincerity and integrity in the interest of the country and the people.

He concluded the royal address with an appeal to the people to demonstrate their undivided loyalty to their beloved country and to ensure continued peace and prosperity. -- BERNAMA

TM AR RM