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Call to document case histories of NPLs

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THE Government should document all the case histories of non-performing loans so that the experience could be shared by everyone with a view to avoiding another economic downturn, a backbencher suggested yesterday.

Husni Hanadzlah (BN-Tambun) said the high incidence of non-performing loans over the past few years could be seen as something "historic" which should be properly documented.

"In developed countries, knowledge sharing is accorded great importance and many experiences are documented to allow the experience to be shared," he said during the debate on the Supplementary Supply (1999)(No. 2) Bill 1999.

Husni also said the Government should carefully study the financial structure and put in place the necessary checks and balances to ensure such a situation was not repeated.

On bank mergers, Husni said the importance of the Government's move should be recognised, as mergers of financial institutions were seen as beneficial throughout the world.

He also said it was a good move for the Government to relax its schedule on mergers as it would allow the banks more time to seek partners and sort out the various issues involved.

"While I see it as a good move that the first schedule has been relaxed, I hope the second schedule set by the Government will be adhered to and not changed," he said.

Disagreeing with the move to allow banks to decide how many anchor banks will eventually emerge from the exercise, he said while it was acceptable to have one or two more, having more than that would defeat the merger exercise.

He also asked whether the Government would remove all protection for local banks in 2003 when foreign banks were allowed to set up operations in the country.

On the merger of merchant banks, Husni said the structure of these banks had to be seriously looked into because they should not be involved in disbursing high amounts of loans, but should be doing more consultancy and financial management work.

Dr Nungsari Ahmad Radhi (BN-Balik Pulau) agreed with Husni by saying that the Government should seriously think of documenting the entire economic downturn experience.

"Documenting the events will be beneficial for many people."

On the economic recovery plan, he said the next step the Government should take was to increase foreign reserves.

"When foreign reserves increase, it will be able to counter any problems faced by foreign currency depreciation."

Nungsari was concerned over the amount sought in the Bill amounting to about RM600 million.

"Last year's deficit was RM19 billion and today we are debating whether to approve the third supplementary supply of funds on top of last year's deficit," he said.

Lim Kit Siang (DAP-Tanjong) criticised the Election Commission for taking more than eight months to register new voters.

He said this would reflect to the people that the Commission was without credibility and supported the Government.

"The Commission is without power and has lost its credibility. How will

the people have confidence in them? It should be free, fair and clean. Therefore, I urge the Government to set up another Commission to monitor the running of the coming election."

He said the Anti-Corruption Agency should come up with a mission statement containing the goal of making Malaysia one of the top 10 least corrupt countries in the world.

Lim also questioned Prime Minister Datuk Seri Dr Mahathir Mohamad on his recent roadshows to gain the people's votes for the coming election.

"His speech last night during the Barisan Nasional 25th anniversary celebration, for instance, was telecast live," he said, adding that Dr Mahathir had abused his power as the Prime Minister and had used the people's money for his own gain.

Lim said the ACA seemed to be engaged more in a public relations exercise by stating that it was proud that Malaysia's position on Transparency International's transparency index was improving.

"How can they be proud when in 1995, it was 23, but then in 1996, it fell to 26, and in 1997, it fell further to 32," he said.

According to the TI index, the smaller the index number, the less corrupt a country is.

Lim said it was only last year that the index improved to 29.

On the use of Government facilities by BN during campaigning, Lim said the Government should realise that after dissolving Parliament, a caretaker Government would take over.

"A caretaker Government should not make any major decisions or utilise Government funds. A Minister in a caretaker Government does not have the full powers of a usual Minister," he said.

Datuk Philip Yong Chew Lip (BN-Gaya) brought up the issue of illegal immigrants voting in elections: "Those involved in allowing this to happen should be severely punished while the Election Commission and the National Registration Department should work closely to ensure only entitled people are allowed to vote."

Robert Lau Hoi Chew (BN-Sibu) said the Sibu and Miri airports should also be made gateways to Sarawak to promote tourism in the State.

He said direct flights from these places to Singapore should be allowed so that the tourism "spill-over" from the republic could be tapped.

Mohamed Sabu (Pas-Kubang Krian) urged the Election Commission to be more transparent when it came to postal votes for the army.

"There have been numerous cases carried in the media where retired army officers admit they had filled up to 300 voting slips for their friends through postal votes.

"How come no official reports were made? Because of this, Malaysians have no faith and confidence in postal voting and this can cause unrest among the people.

"The Government wants election results to be accepted by the people irrespective of who loses and who wins, but first the Commission has to be transparent," Mohamed said.

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