

03 APR 1999

Abdullah-Economy

GOV'T TO TABLE WHITE PAPER ON CURRENT ECONOMIC SITUATION

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KEPALA BATAS, April 3 (Bernama) -- The government will table a White Paper on the country's current economic situation at the Dewan Rakyat sitting which starts Monday.

Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said today Prime Minister Datuk Seri Dr Mahathir Mohamad would also table a mid-term review on the Seventh Malaysia Plan to keep the people informed of its success so far.

Abdullah said this in his speech before chairing the Bertam Umno branch meeting, here.

Although Abdullah did not mention details of the White Paper, analysts believed that it would contain the government's economic recovery policies and measures.

Among them are the imposition of selected capital controls on Sept 1, last year and bank restructuring programmes involving Pengurusan Danaharta Nasional Berhad and Danamodal Nasional Berhad.

Regional economists have indicated that Malaysia was already on its way to economic recovery and one that has low macro-economic risk.

Tim Condon, a principal of global investment house Morgan Stanley recently said that economists believed that most of the impact of the downturn were felt last year and the Malaysian economy was now set for recovery.

Condon said Morgan Stanley itself expects the Malaysian economy to grow by 2 per cent this year.

Bank Negara, in its annual report, among other things forecast a 1 percent growth in the economy this year compared with a 6.7 per cent contraction last year.

The central bank also announced several drastic measures to improve the efficiency of local banking institutions which include eliminating the Tier-1 and Tier 2 status as well as to increase on-site inspection on banks, including branches.

Analysts said these measures would certainly increase investors' confidence towards the banking institution, as reflected by the huge buying interest on finance-related counters seen on Thursday.

Stream of good news kept pouring. On Thursday, international rating agency Standard & Poor's revised its outlook on Malaysia to stable from negative.

Meanwhile, DAP secretary-general Lim Kit Siang, in welcoming the decision to table the White Paper, urged Dr Mahathir to ensure that Members of Parliament were given at least 48 hours to study the document before debate in Parliament.

In a statement today, Lim said the prime minister is scheduled to move a motion in the Dewan Rakyat on Tuesday to seek Parliamentary approval for the government's economic recovery policies and measures as would be outlined in the White Paper.

"DAP MPs will give the White Paper serious study and considerations to decide whether the prime minister's motion in Parliament for endorsement of the White Paper could be supported," he said.

He said after Tuesday's debate on the White Paper, the Dewan Rakyat would begin a seven-day debate on the royal address to be delivered by the Yang di-Pertuan Agong Tuanku Ja'afar at the official opening of the Dewan Rakyat and Dewan Negara on Monday.

"After the debate on the royal address, the Dewan Rakyat will debate the mid-term review of the Seventh Malaysia Plan," Lim added.

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