

08 DEC 1999

Daim-PAS

KHARAJ PLAN AFFECTS INVESTOR CONFIDENCE

SUNGAI PETANI, Dec 8 (Bernama) -- The Terengganu PAS government's proposal to introduce kharaj, a tax on non-Muslims' business activities, has affected investors' confidence to a certain extent, First Finance Minister Tun Daim Zainuddin said today.

He said investors had privately expressed their concerns over the matter.

"Although it is only a plan, they are really concerned as it could affect them," he told reporters after attending the Merbok Barisan Nasional (BN) thanksgiving tea at Sekolah Kebangsaan Sungai Layar here.

PAS should consider very carefully and take note of the feelings of the people on the ground before introducing a new tax, he said.

"If not they would frighten the investors, and they would run to other places," he said.

However, investors' confidence was not badly affected as they remained confident because the country was still governed by the BN, he said.

Daim said people would resent if PAS introduced taxes which are not popular with the majority of the people.

"If you just come out with all kinds of statement and there is resentment, then people will say you have not considered very carefully. You just rushed into things without thinking carefully. There must be proper planning and research," he said.

On the other hand, the BN government planned very carefully and obtained feedback from the ground before introducing new policies, Daim said.

Citing an example, he said the federal government held dialogues with all levels of society before preparing the budget.

Daim said the policies of the state and federal governments could be streamlined through such bodies as the National Finance Council for the benefit of both parties.

If PAS had any ideas it should forward them to the council for consideration, he said.

Daim was also asked to comment on DAP's suggestion that the federal government discuss the kharaj proposal with the Terengganu government.

"Why should we? DAP should talk to them. It is their partner in the Alternative Front," he said.

Daim also said he was leaving it to Prime Minister Datuk Seri Dr Mahathir Mohamad to decide on his position in the government although he had previously expressed his wish to leave the Cabinet.

"As a loyal party member, I leave all decisions to the party leadership. I do not lobby," said Daim, who is Umno treasurer and MP for Merbok.

In his speech, Daim urged the victorious and defeated BN candidates in the recent general election not to lobby Dr Mahathir for posts or work.

"Previously some people were lobbying to be candidates. Now that they have won they lobby for posts while those who lost lobby for work," he said.

Daim said they should be thankful for what they have and should allow Dr Mahathir to make his decisions without being bothered.

Present at the ceremony were Gurun state assemblyman Datuk Beh Heng Seong, Datuk V. Saravanan (Bukit Selambau) and Hajah Rosnah Majid (Tanjung Dawai).

These three state seats are located within the Merbok parliamentary constituency.

-- BERNAMA

JM YBY