

21/01/1999

`Speed of recovery will depend on people's support'

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BUTTERWORTH, Wed. - Malaysia will be able to post positive economic growth this year but the speed of recovery will depend greatly on the people supporting government initiatives, Datuk Seri Abdullah Ahmad Badawi said today.

The Deputy Prime Minister said all signs pointed to the economy being on the road to recovery following government policies and programmes geared towards moving the economy.

"The signs of recovery are there and I believe we will be able to achieve positive economic growth this year.

"Sincere efforts have been made by the Government to revive the economy and I think the positive trend will continue.

"However, what is most important in ensuring the speed of recovery is the support of the people for all efforts of the Government to ensure we are back on a positive note.

"The Government can only plan and give directions. It is the people who are directly involved in ensuring a revival of the economy through their attitudes and activities. They must support all initiatives to improve the economy."

Abdullah was speaking to reporters at his Hari Raya Aidilfitri open house at his family home in Kepala Batas, near here.

The largest ever crowd in his career as a politician turned up, causing traffic congestion - for the first time ever - along Jalan Permatang Bertam in front of his house.

Abdullah said the Government had taken various measures to make the country peaceful and ensure economic recovery.

The frequency of the National Economic Action Council's meetings which are held almost every day, for instance, showed the sincerity of the Government and Prime Minister Datuk Seri Dr Mahathir Mohamad in wanting to improve the situation.

Abdullah said among the signs of recovery were the increase in Malaysia's foreign reserves from RM76 billion or US\$20 billion (in 1977) to RM99.5 billion or US\$26.2 billion last year and a trade surplus of RM50 billion.

He said during the recent Home Ownership Campaign, consumers signed up for houses worth a total of RM3.8 billion, another sign of economic recovery.

"Many housing schemes were built but sales were down following the economic slowdown. The campaign has helped improve sales. The RM3.8 billion is a high figure and has directly helped developers.

"The campaign has a cumulative effect. Now the developers will be able to pay their contractors.

"Both the contractors and developers will be able to settle or reduce their outstanding loans with banks and the non-performing loans which were large and worrisome will now ease."

Abdullah said the Government had advised banks to continue giving loans to for productive projects.

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