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MUSTAPA-USAHAWAN

GOVT SENSITIVE TO PROBLEMS FACED BY SMALL TRADERS

KOTA BAHARU, June 1 (Bernama) -- The government is always sensitive to problems faced by small traders and entrepreneurs throughout the country in getting funds in an environment where the economy has yet to fully recover.

Datuk Mustapa Mohamed, the executive director of the National Economic Action Council (NEAC), said that the government has allocated RM2.25 billion under the economic package recently announced by Prime Minister Datuk Seri Dr Mahathir Mohamad, to help the small businessmen gain access to credit.

"Small traders and entrepreneurs stand to gain the most from the package," he told reporters after launching the promotion for the Uda Arcade here yesterday.

Mustapa, who is also the chairman of the Kelantan UMNO liaison body, said what was encouraging to this group was that it was to get credit based on the viability of their project without having to have guarantors.

"Among the major problems they face in obtaining financing was to get guarantors when their businesses were already viable, which resulted in many not getting the funds," he said.

He said that the new RM2.25 billion allocation would help to further consolidate the economy.

Mustapa also said that the New Economic Entrepreneurs Fund (TEKUN) was a good model to assist small traders to get loans.

"TEKUN has a good track record which the government values deeply. Bank Negara Malaysia believes that TEKUN is one of the best institutions to provide loans to small entrepreneurs," he said.

He said that the government was satisfied with the loan repayment by borrowers.

Mustapa also requested small and medium scale industries (SMIS) in Kelantan to support measures by the Federal government to boost the economy.

He said that the PAS-led Kelantan state government was not doing enough to help SMIS.

"It looks like businesses can afford to withstand the soft conditions. InsyaAllah (God willing), when we (Umno) rule Kelantan, we will give special attention to SMIS," he said.

There are 216 businesses at the Uda Arcade which is a well-known shopping centre in the town. -- BERNAMA

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