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MAHATHIR-EPF

MAHATHIR: PLANS FOR EPF TO INVEST IN INFRASTRUCTURAL DEVELOPMENT

KUALA LUMPUR, June 24 (Bernama) -- The government is formulating plans for the Employees Provident Fund (EPF) to invest its funds in infrastructural development in the country and allow it to obtain better returns on its investment at the same time, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

The EPF and its investment panel would have to soon decide on these proposals, he told the Dewan Rakyat today.

Dr Mahathir, who is also the Finance Minister, later told reporters at the Parliament House lobby here, that the government would not be expending its money on a lot of infrastructure projects, including the construction of buildings.

He said the EPF would be to asked to finance companies building these buildings.

Dr Mahathir said the buildings would then be leased from the companies which built them and from the lease, the builders could repay the EPF at much higher interest rates than the EPF could have got from investing its funds in bank deposits.

Answering a question at the Dewan Rakyat earlier, the prime minister said the government has several schemes in mind to enable EPF to get better returns than for it to merely keep its funds with Bank Negara Malaysia and getting low interest returns in the process.

"If we invest in certain sectors, the EPF can have better returns," he said. (Jika kita labur dalam bidang-bidang tertentu, EPF boleh dapat lebih.)

Dr Mahathir was responding to supplementary questions on the EPF from Datuk Dr Yusof Yacob (BN-Sipitang) and Dr Tan Seng Giaw (DAP-Kepong).

The prime minister said the EPF, being the biggest fund in the country with liquid assets of RM200 billion, would have difficulty in seeking avenues to invest all its funds, which accounted for almost half of the market capitalisation of the Kuala Lumpur Stock Exchange (KLSE).

On the other hand, the EPF also found it difficult to invest following constant interference (gangguan) on its investment panel, he said.

"There have been suggestions that the panel be changed or disbanded and its power be given to others. Even with power, investment opportunities are not much because of the uncertainty in the stock market, he said. (Ada yang cadang panel pelaburan ditukar atau bubar and beri kuasa pada orang lain. Kalau ada kuasa pun, peluang pelaburan tak banyak kerana keadaan pasaran saham yang tak menentu). -- BERNAMA

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