

**UCAPAN PERDANA MENTERI DI MAJLIS
JAMUAN MAKAN MALAM PERSATUAN
SYARIKAT-SYARIKAT PEMINJAM (ASSOCIA-
TION OF BORROWING COMPANIES) DI HOTEL
HILTON, KUALA LUMPUR PADA 16HB JULAI,
1974**

Encik Kong Sik Hung, Pengerusi, Association of Borrowing Companies, Dif-dif yang terhormat, Tuan-tuan dan Puan-puan.

Terlebih dahulu sukalah saya mengucapkan terimakasih dan merakamkan penghargaan saya berdua atas kesudian tuan-tuan sekalian ahli-ahli A B C menjemput saya berdua ke majlis perayaan ulang tahun kedua yang permai ini, di samping mendapat penghormatan sebagai tetamu khas A B C pada peristiwa malam ini.

Sesungguhnya iniih kali yang pertama saya beroleh kesempatan beramah mesra dengan ahli-ahli A B C dan dalam tugas saya sebagai Menteri Kewangan peluang seperti ini amat besar faedahnya untuk mengetahui kerja-kerja A B C ini. I am sure you all do not expect me to make any announcement of new financial policy as the Gabnor Bank Negara had just announced the decision of the Government to use a little bit the credit squeeze by Banks and other financial Institutions.

Saya sukacita juga bahawa sejak tertubuhnya A B C bulan Oktober tahun lalu, pertubuhan ini melihat kemajuan-kemajuan yang penting serta kegiatan-kegiatannya semakin meningkat. Tidak syak lagi, A B C mempunyai peranan besar dalam keadaan ekonomi negara yang sedang berkembang maju dan sebagai institusi kewangan yang bertanggungjawab, A B C tentulah boleh memberikan sumbangan yang bermakna kepada perkembangan ekonomi dan pembangnan negara.

Dalam hubungan ini, saya sangat tertarik hati dengan perhatian berat yang ditunjukkan oleh A B C terhadap langkah kewangan—financial measures—yang diambil oleh Kerajaan tahun lalu seperti yang dibayangkan oleh Tuan Pengerusi sendiri dalam tulisannya "Borrowing Companies in Malaysia". Saya percaya meskipun langkah itu agak menyekat kebebasan Finance Houses kerana meletakkan had pinjaman, tentulah tuan-tuan menghargai maksud di sebaliknya iaitu hasrat Kerajaan hendak mengurangkan tekanan

inflasi. Inilah satu-satu langkah yang difikirkan munasabah dan mustahak, dan saya sukacita A B C serta institusi-institusi yang lain menerima baik dan menyokong langkah Kerajaan itu. Saya berharap hubungan baik dan kerjasama seperti ini akan terus dikekalkan pada masa hadapan.

Tuan-tuan sekalian.

I am very happy to be here this evening on the occasion of the Second Anniversary dinner of the Association of Borrowing Companies, and I must also thank Mr Kong for the kind sentiments he expressed just now about my recent visit to China.

It has often been pointed out that one should always be careful of politicians. After your Chairman's explanation of the Association's logo, I must say that we politicians should even be more careful of the borrowing companies, particularly after they have given you a very nice dinner. We are all familiar with the saying, "Neither a borrower nor a lender be". Of course in Shakespeare's time, he never heard of borrowing companies, and although I think A B C is a misnomer, you can happily prove that he is wrong by being both borrowers and lenders successfully at the same time.

This is the first occasion which gives me the opportunity to meet members of the A B C and this is both useful and significant to me particularly since I took over the finance portfolio from Y.B. Tun Tan Siew Sin. I am glad to say that the A B C and its constituent members have always shown support and co-operation to the Government in whatever measures we have taken on of financial matters.

As I stated just now, the Government recently announced the easing of the credit squeeze which we imposed at the end of last year in certain areas such as housing and small industries—areas which Government considers necessary to put greater efforts in order to achieve the targets of the New Economic Policy. As you all well know, one of the problems we are facing in our efforts to counteract inflation is excessive liquidity i.e. there is too much money not only in banks and financial institutions but also in the hands of the public. Therefore, it is necessary that this excessive liquidity should be reduced.

In the present session of Parliament which begins tomorrow, it is proposed to introduce a Bill to establish the National Savings Corporation which will provide facilities for our people, particularly those in the lower income groups and living in the outlying areas, to save their money. We in the Government have repeatedly advised the public to refrain from purchasing unnecessary goods which they do not require for immediate use. In other words, if we are to arrest the inflationary trends, our people must be prepared to undertake austerity measures and that is why the Government has decided to take some of the financial measures that I stated earlier.

I am happy that these measures have received the understanding and support from financial institutions in this country and also the public, and I do hope that with your support and co-operation, these measures, which are beginning to show results, will bring the desired effect and this nagging problem of inflation can eventually be overcome.

Tuan-tuan sekalian.

I need not remind all of you that these are challenging times ahead for Malaysia. The Government has often pointed out the need to develop our agricultural and manufacturing sectors, in particular the small-scale enterprises. While I note that there has been progress made, there are still ample opportunities for further expansion of credit to these sectors. I would, therefore, expect the borrowing companies, who are the second most important mobilisers of funds and source of private sector credit in the country, to take up the challenge. I do hope you will depart from the established practice of providing funds only to well-established enterprises and for hire-purchase financing of consumer items, but instead to adopt a conscious development-oriented approach in your lending function, particularly in channelling medium and long-term funds for productive purposes.

Ladies and Gentlemen.

Let me now touch briefly on the subject of assistance to Bumiputras. One of the objectives of the New Economic Policy is to create a viable and thriving Bumiputra community in commerce, finance and industry within twenty years, and as I have often

emphasised, I would like to see a national effort being made to achieve this objective. In other words, we should not take the attitude of letting only the Government bear the whole burden and in fact I would like to see everyone contributing towards this.

It is, therefore, gratifying to note from your Chairman's report that the borrowing companies are showing progress in the amount of credit facilities to Bumiputras and in the recruitment of Bumiputra staff. It is also heartening to know that the borrowing companies, as a group, are still not satisfied with the efforts that had been made so far. I share your concern in this matter and welcome the formation of a Sub-Committee by your Council to look into the various ways and means of increasing still further their assistance to the Bumiputra community.

Tuan-tuan sekalian.

While I am still on the subject of Bumiputra staff, I would also like to say something on the question of management in general. Our country is well-endowed with natural resources but there is still an acute shortage of qualified and trained staff. I need not emphasise that high calibre human resources are essential for the prosperity and economic well-being of our country, and I am pleased to note that you are placing great importance on staff training. A group of well-trained people will not only increase the level of efficiency of the organisation but also in the long run improve the quality of management in that organisation. This is essential; in fact, I would say, vital to public institutions like yours whose success depends so much on the confidence that the members of the public have in you. And as your Chairman has so rightly pointed out, being the depository of public funds, you must maintain the highest level possible of professionalism. I am convinced that well-trained staff is the first step towards this direction.

In conclusion, let me say that although one of the aims of your Association, is to foster better understanding and closer relations among its members, I have no doubt that your Association would play its part successfully not only in advancing the interests of its member companies but also in the progress and development of the country as a whole.

Tuan-tuan sekalian.

Saya sekali lagi mengucapkan berbanyak-banyak terimakasih alas budi baik tuan-tuan semua menjemput saya berdua ke raajlis yang pennai ini dan saya mendoakan semoga ABCM terus meningkat maju dan berjaya dalam segala usahanya.