

K'tan reminded to comply with law on dinar
Malaysiakini.com
August 14, 2010

The Kelantan government is reminded against making new regulations indiscriminately such as using the gold dinar and silver dirham without referring to the federal government as it could be against the national regulation.

International Trade and Industry Minister Mustapa Mohamed said the statement by Kelantan Menteri Besar Nik Aziz Nik Mat that the dinar and dirham would be used as alternative currencies clearly breached Bank Negara Malaysia (BNM) regulations.

"I advise the Kelantan government not to do so (introduce regulations) as it likes. Whatever it wants to do must be discussed, otherwise members of the public will be confused over the jurisdiction of the federal and state governments.

"Matters concerning currency comes under the jurisdiction of the federal government, and not the state government, and what had been done clearly breached the country's law. We have the constitution and regulations," he told reporters after chairing the meeting of the Kelantan Umno Liaison Body in Kota Bharu today.

Two days ago, Nik Aziz had launched the dinar and dirham syariah currencies which would be used in day-to-day transactions including salary payments to civil servants.

About 1,000 entrepreneurs in the state were reported to have agreed to accept the gold dinar and silver dirham in their business transactions.

The dinar and dirham are produced by a subsidiary of Perbadanan Menteri Besar Kelantan (PMBK), Kelantan Golden Trade.

Yesterday, the BNM pointed out that only the ringgit is the valid currency for payment for goods and services in the country and rejected the use of the dinar and dirham introduced in Kelantan.

Bank Negara to investigate

Meanwhile, Prime Minister Najib Razak said in Pekan that only Bank Negara can issue currency that is legal tender.

He said the central bank would be looking into the matter to see if any laws had been broken.

"Follow the laws of the country, only Bank Negara is authorised to issue currency that is legal tender," he told reporters after handing over Ramadan aid to mosque and surau from the Pekan parliamentary constituency.

Yesterday, when launching the syariah currency, Kelantan Menteri Besar Nik Aziz Nik Mat had said the state would strive to expand the use of the gold dinar and silver dirham in all transactions, including paying civil servants' remuneration.

However, he said there were still many technicalities that had to be addressed by the state government over the use of the currency.

The New Straits Times in its front page today said BNM had stated that only it had the right under the law to issue currency in Malaysia.

- Bernama

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