

Govt sets up Economic Action Council to address economic woes

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PUTRAJAYA, March 11 -- The government has decided to set up an Economic Action Council (EAC) as an immediate step to address the economic woes faced by the country.

Prime Minister Tan Sri Muhyiddin Yassin said the EAC, which will be chaired by him, will meet every Monday, with the first meeting slated for March 16.

He said the EAC comprised International Trade and Industry Minister Datuk Seri Mohamed Azmin Ali, Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz and Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed.

Other distinguished individuals, including Bank Negara Malaysia governor Datuk Nor Shamsiah Mohd Yunus will be appointed as members of the EAC.

"All cabinet ministers are aware of the volatile economic situation, with oil prices dropping to US\$30 per barrel, down 31 per cent, which would have an impact on the government's sources of funding.

"This is further aggravated by COVID-19, which has made a huge impact on the country, especially on the economy," he told a press conference after chairing his first Cabinet meeting here today.

"This is an immediate step that we are taking to show that we are not delaying (the mitigation measures)," Muhyiddin said, adding that the EAC joint secretariat would involve the Ministry of Finance and the Prime Minister's Department (Economics).

In the run-up to the first EAC meeting, Muhyiddin asked stakeholders to bring up any issues or problems through the relevant ministries for the EAC scrutiny to find their solutions.

"These include the problem faced by the B40 group to tide over the high cost of living. This will be given attention along with other measures," he said.

Muhyiddin said the economic stimulus package announced by the previous government would be re-examined, including the possibility of increasing the allocation.

He said this is to ensure that the target groups would benefit from the package besides restoring investor confidence.

The Ministry of Finance is tasked with looking into the package, which will be fine-tuned within the next two weeks, he said.

"Don't delay," he said.

Interim Prime Minister then Tun Dr Mahathir Mohamad, on Feb 27, launched a RM20 billion economic stimulus package to mitigate the impact of the COVID-19 outbreak.

Asked whether the government would revise the 2020 Budget in view of the declining crude oil prices, Muhyiddin said:

"The Minister of Finance has been instructed to look into it at the EAC meeting next week to assess the country's financial health which has surely been adversely affected.

"Whether the budget need to be recalibrated or not, I will wait for the Minister of Finance's report first."

To a question whether the government would consider re-introducing the Goods and Services Tax, Muhyiddin said:

"We will look into everything. I think is it fair that we look into those issues closely whether there is a need to redo (them) and the Minister of Finance and all those people involved will make the proper recommendations."

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