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More policies set to boost economy

More efforts would be made to encourage enterprises to upgrade their technology and innovate to help the country face the international financial crisis, the State Council said Wednesday.

There would also be policies to aid mergers and acquisitions among enterprises, the council, the country's Cabinet, said.

The moves were laid out at an executive meeting of the council presided over by Premier Wen Jiabao.

The global financial crisis is still spreading and its effect on China's economy will become more visible, the council said.

"Government at all levels need to stabilize production and employment, help companies tide over the tough times and maintain stable and relatively rapid economic growth," it said.

Plans would be mapped out to help key sectors, including the steel, auto, ship manufacturing, petrochemical, textile, nonferrous metals, equipment manufacturing and information technology industries, the council said.

Banks were also urged to increase credit to help small and medium-sized enterprises overcome difficulties.

The council also made plans to increase the storage of key materials and resources, accelerate development of the service industry and enhance measures to promote employment and social security.

Similarly, more education and job training would be provided to increase employment. These measures should also cover rural workers who have returned home from cities because of retrenchment, the council said.

To offset the adverse global economic conditions, the State Council had on Nov 9 announced a 4 trillion yuan (\$586 billion) stimulus package to boost domestic demand. This will be combined with other measures, such as loosening credit and cutting taxes.

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