
Mr Wen plans to help auto and steel industries

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According to Mr Wen Jiabao Premier of China, the government has already come up with plans to help the automobile and steel sectors and is working to formulate overarching policies to help others.

He said that "Once each is mature we will implement it. The government has already announced some steps to help the steel and automobile sectors, including increasing the rebate rates on export taxes for certain steel products and encouraging people to buy new vehicles after scrapping old ones but hasn't disclosed overarching sectoral plans.

Mr Wen added that the government's scheme of subsidizing sales of home appliances in the countryside could add more than CNY100 billion to domestic demand this year and could add a total of more than CNY500 billion over the next 5 years. The stability and health of the domestic financial sector and ample liquidity in the sector are reasons to be confident.

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