

MAHATHIR - COMMITTEE 金'金'金' (C)

KUALA LUMPUR, AUG. 26 (BERNAMA) -- THE CABINET-APPOINTED INVESTMENT COMMITTEE SET UP RECENTLY WILL LOOK INTO WAYS AND MEANS TO IMPROVE THE INVESTMENT CLIMATE IN THE COUNTRY, DR. MAHATHIR MOHAMED SAID TODAY.

HE SAID THE COMMITTEE WOULD EVALUATE EXISTING LAWS, POLICIES AND ADMINISTRATIVE SYSTEM TO +LOCATE THE BOTTLENECKS AND DEVISE WAYS TO OVERCOME THEM AND DIRECT THAT THE NECESSARY ACTION BE TAKEN.+

OPENING THE TWO-DAY SEMINAR ON +THIRD MALAYSIA PLAN - THE ROLE OF THE PRIVATE SECTOR+ ORGANISED BY THE FEDERATION OF MALAYSIAN MANUFACTURERS HERE, THE DEPUTY PRIME MINISTER SAID THAT IN A MODERN AND COMPLEX ECONOMY THERE MUST BE A PROCESS OF CONTINUOUS APPRAISAL OF THE INVESTMENT ENVIRONMENT.

HE POINTED OUT THIS WAS NECESSARY TO DETERMINE WHETHER THE ACCUMULATION OF PAST LAWS, POLICIES AND REGULATIONS CONTINUED TO BE APPROPRIATE AND CONDUCIVE TOWARDS PROMOTING PRIVATE INVESTMENT OR WHETHER THE IMPEDIMENTS IN THE INTEREST OF SOCIAL NEEDS DIMINISHED THE INCENTIVE TO INVEST. -- BERNAMA MORE 1700/YF

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NO79 (F)

MAHATHIR - COMMITTEE 2 KUALA LUMPUR 金'金'金'

DR. MAHATHIR WHO IS ALSO HEAD OF THE COMMITTEE, SAID IT WAS PRESENTLY LOOKING OVER THE NUMEROUS AGENCIES INVOLVED WITH INVESTMENTS TO CO-ORDINATE THEM AND REDUCE BUREAUCRATIC PROCEDURES TO THE MINIMUM.

+WHILE IT WOULD NOT BE APPROPRIATE FOR ME TO BE VERY SPECIFIC AT THE PRESENT MOMENT, IT WOULD BE PART OF THE RESPONSIBILITY OF THE COMMITTEE TO HAVE A SECOND OR THIRD LOOK AT SOME OF THE INTERPRETATIONS OF POLICIES WHICH HAVE GIVEN RISE TO COMPLAINTS AND CONSEQUENTLY CLOUD THE INVESTMENT CLIMATE.+

THE DEPUTY PRIME MINISTER SAID THAT THE COMMITTEE WOULD PAY SPECIAL ATTENTION TO THE IMPLEMENTATION OF EXISTING LAWS AND POLICIES BEFORE IT COULD CONSIDER NEW LAWS AND POLICIES.

IT WAS FELT THAT MERELY BY SPELLING OUT THE CORRECT INTERPRETATION OF LAWS AND POLICIES, SOME OF THE DOUBTS AND UNCERTAINTIES COULD BE BANISHED.

DR. MAHATHIR EXPRESSED REGRET THAT DESPITE THE PAINS TAKEN BY THE GOVERNMENT TO EXPLAIN THE TRUE PURPOSE AND NECESSITY OF THE INDUSTRIAL CO-ORDINATION ACT, DOUBTS STILL EXISTED AS TO THE NEED FOR THE GOVERNMENT TO REGULATE THE INDUSTRIAL DEVELOPMENT OF THE COUNTRY. -- BERNAMA MORE 1704/YF

222

NO80 (F)
MAHATHIR - COMMITTEE 3 KUALA LUMPUR

+RIGHTLY OR WRONGLY SOME ENTREPRENEURS HAVE READ IN THE ACT MEANINGS THAT WERE NEVER INTENDED BY THE GOVERNMENT AND FOR WHICH THERE EXISTS NO FACTUAL BASIS.+

DR. MAHATHIR SAID THE COMMITTEE WOULD LOOK INTO ALL THESE FEARS AND COMPLAINTS WITH REGARD TO THE INDUSTRIAL CO-ORDINATION ACT AND WHERE THESE WERE LEGITIMATE, WOULD TAKE CORRECTIVE MEASURES.

THIS MIGHT INCLUDE REDRAFTING OF THE ACT TO PROVIDE FOR MORE PRECISELY DEFINED POWERS WHICH DID NOT LEAD TO EASY MISINTERPRETATION BY THE OFFICIALS OR MISUNDERSTANDING BY THE BUSINESS COMMUNITY.

ON THE ROLE OF THE PRIVATE SECTOR, DR. MAHATHIR STRESSED THAT THE THIRD MALAYSIA PLAN RECOGNISED AND RESPECTED THE +VITAL AND STRATEGIC ROLE+ IT COULD PLAY IN TERMS OF ECONOMIC GROWTH AND EMPLOYMENT.

HE POINTED OUT THAT UNDER THE SECOND PLAN, IT WAS THE VIGOROUS INVESTMENT OF THE PRIVATE SECTOR WHICH ENABLED THE ECONOMY TO SUSTAIN A POSITIVE RATE OF GROWTH DESPITE THE PRESENCE OF TWO RECESSIONS. -- BERNAMA MORE 1708/YF

NO88 (F)
MAHATHIR - COMMITTEE 4 KUALA LUMPUR

IN ORDER TO ACHIEVE THE LONG TERM TARGETS OF POVERTY ERADICATION, THE ECONOMY UNDER THE THIRD MALAYSIA PLAN WOULD HAVE TO CREATE SLIGHTLY UNDER THREE-QUARTER OF MILLION NEW JOBS.

+WHILE THE GOVERNMENT WILL DO ITS PART IN PROVIDING EMPLOYMENT OPPORTUNITIES THROUGH EXPANSION OF ITS OWN DEVELOPMENTAL AND ADMINISTRATIVE ACTIVITIES, IT MUST RELY UPON THE MANUFACTURING, CONSTRUCTION, AGRICULTURAL, WHOLESALE AND RETAIL INDUSTRIES IN THE PRIVATE SECTOR TO PROVIDE THE LARGER PERCENTAGE OF NEW EMPLOYMENT.+

ON THE RELATIONSHIP BETWEEN THE NEW ECONOMIC POLICY AND DOMESTIC AND FOREIGN PRIVATE INVESTMENTS, DR. MAHATHIR SAID PROBLEMS ARISING OUT OF THE IMPLEMENTATION OF THE POLICY WERE PROBABLY RESPONSIBLE FOR THE SLIGHT UNDER-ACHIEVEMENT OF THE TARGETS OF THE SECOND PLAN.

HE SAID THE PROBLEMS WERE TO BE EXPECTED AS THE POLICY REPRESENTED A +DRAMATIC IF NOT A RADICAL CHANGE IN WHICH SOCIO-POLITICAL OBJECTIVES ARE ALLOWED TO OVERRIDE PURELY ECONOMIC CONSIDERATIONS.+
-- BERNAMA MORE 1800/AB

NO89 (F)
MAHATHIR - COMMITTEE 5 KUALA LUMPUR

DR. MAHATHIR SAID IT WOULD BE THE FUNCTION OF THE CABINET COMMITTEE ON INVESTMENT TO TRY TO RESOLVE THESE PROBLEMS AND ISSUES AND TO MANAGE THE NEW ECONOMIC POLICY MORE REALISTICALLY.

THE COMMITTEE WOULD DIRECT ITS EFFORTS PARTICULARLY TOWARDS MORE PRECISE DEFINITIONS OF THE POLICY AND THE MECHANICS OF THEIR APPLICATIONS, ABANDON ANTIQUATED CONCEPTS AND INTRODUCE NEW ONES IF THE SITUATION REQUIRED.

+WE WILL ALSO MOST CERTAINLY ATTEMPT TO IMPROVE FURTHER THE IMPLEMENTATION PROCESS BY RECOGNISING THAT THE TARGETS OF BOTH EMPLOYMENT AND EQUITY PARTICIPATION ARE GLOBAL TARGETS AND NOT NECESSARILY VALID FOR SPECIFIC SECTORS OR SPECIFIC ENTERPRISES AND CORPORATIONS.

+IN ALL THESE IN DEGREE OF FLEXIBILITY WILL BE MAINTAINED WITHOUT SACRIFICING PRINCIPLES.+

DR. MAHATHIR SAID THE CABINET COMMITTEE WOULD ALSO SCRUTINISE THE ROLES OF THE PRIVATE INVESTORS AND CIVIL SERVANTS AS THE PLAN PROGRESSED TO ENSURE THAT CO-OPERATION AND UNDERSTANDING WOULD BE ENHANCED AND THE CORRECT ATTITUDES PREVAILED. -- BERNAMA MORE 1805/AB

N090 (F)
MAHATHIR - COMMITTEE 6 KUALA LUMPUR

223

HE SAID THE MOST FUNDAMENTAL ELEMENT FOR THE SUCCESS OF THE PRIVATE AND PUBLIC SECTOR CO-OPERATION WAS THE CREATION OF A +PARTNER IN DEVELOPMENT+ PERSPECTIVE WHERE BOTH SIDES SAW THE MUTUAL BENEFITS ARISING FROM THEIR PARTNERSHIP.

+JUST AS THE ENTREPRENEUR WILL PROFIT FROM THE DUTIES PERFORMED BY THE CIVIL SERVANTS, THE CIVIL SERVANTS TOO MUST APPRECIATE THAT HIS VERY EXISTENCE DEPENDS ON THE SUCCESS OF THE ENTREPRENEUR.

+WHILE THERE IS OBVIOUS EVIDENCE THAT IN THE SECOND MALAYSIA PLAN BOTH HAVE PLAYED THEIR COMPLEMENTARY ROLES WELL AND HAVE PRODUCED RESULTS; THERE IS NEVERTHELESS A NEED FOR EVEN GREATER CO-OPERATION AND UNDERSTANDING DURING THE PERIOD OF THE THIRD MALAYSIA PLAN.+

THE DEPUTY PRIME MINISTER ADDED THAT THE GOVERNMENT WOULD CONSIDER ANY NEW PROPOSALS FROM THE PRIVATE SECTOR WITH RESPECT TO EITHER FISCAL AND MONETARY POLICIES OR POLICIES ON INCENTIVES AND CREDITS WHICH COULD CONTRIBUTE TOWARDS AND ACCELERATED DEVELOPMENT OF THE ECONOMY AND THE NEW ECONOMIC POLICY. - BERNAMA MORE

22

N099 (F)
MAHATHIR-COMMITTEE 7 KUALA LUMPUR

DR. MAHATHIR SAID THE IMPLEMENTATION OF POLICIES AFFECTING PRIVATE INVESTMENT WAS COMPARATIVELY FLEXIBLE AND PRAGMATIC.

THERE WERE ALWAYS AVENUES THROUGH WHICH THE PRIVATE SECTOR COULD AIR ITS GRIEVANCES AND OPINIONS ON ANY POLICY CONCERNING PRIVATE INVESTMENT.

HE ASSURED INVESTORS THAT THEY WOULD BE GIVEN DUE WARNING BEFORE A POLICY CHANGE WAS MADE.

REFERRING TO THE SECURITY SITUATION, DR. MAHATHIR EXPLAINED THAT THE GOVERNMENT HAD CHARACTERISED IT AS +SERIOUS+ LARGELY BECAUSE THE COUNTRY SHOULD NOT BE COMPLACENT WITH RESPECT TO ANY THREATS TO ITS SOVEREIGNTY AND NATIONAL INTEGRITY.

HE SAID FOR THE FOREIGN AND DOMESTIC INVESTORS, THE SECURITY SITUATION SHOULD NOT BE AN ISSUE OF OVERRIDING CONCERN.

HE POINTED OUT THAT THIS MULTI-RACIAL NATION HAD DEMONSTRATED TIME AND AGAIN ITS ABILITY TO DEAL WITH ANY UPHEAVAL OR CRISIS PROMPTLY AND SUCCESSFULLY. --BERNAMA MORE 1830/MD

N100 (F)
MAHATHIR-COMMITTEE 8 KUALA LUMPUR

+THE SECURITY SITUATION IS WELL UNDER CONTROL AND AS THE DEVELOPMENT PROCESS IS ACCELERATED UNDER THE THIRD MALAYSIA PLAN THE WELL-BEING AND PROSPERITY THAT IT WILL CREATE WILL ENHANCE THE STABILITY OF THE NATION AND FURTHER STRENGTHEN SECURITY+

DR. MAHATHIR URGED THE PRIVATE SECTOR TO EXERT A MORE DETERMINED AND CONCERTED EFFORT TO ACHIEVE THE TARGETS SET OUT UNDER THE THIRD MALAYSIA PLAN. --BERNAMA 1835/MD