

PM: MANY WAYS OUT OF RECESSION

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KUALA LUMPUR, Sat. — Malaysia still has many courses of action it can take to pull out of the current economic recession, Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight.

Addressing the annual dinner of the Administrative and Diplomatic Service Association (PPTD) he said: "Whether we can overcome the effects of the recession or not depends on us. It is not true that our economy is so closely tied to the world economy that we cannot do anything until it has recovered from the slowdown.

"We are a developing country," he said, "and our per capita income is a fifth of that of developed countries. However, our expectations and standard of living have been based on that of those countries."

He urged Malaysians to change their attitudes and try to live within their means as a first step towards overcoming the present recession. He added that the Fi-

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nance Ministry is studying various measures to cut down on expenditure.

Another step would be to reduce the size of the Government machinery, without affecting its efficiency, and to privatise some of its present activities.

He assured workers that they would not lose through the privatisation efforts, saying that although the revenue previously collected by the Government would now go to the private sector, 40 per cent of it would still return to public coffers through taxes.

Touching on the private sector, the Prime Minister said that it could not be denied that Malaysia's cost of production is high for a developing country. "This," he said, "could be due to high taxes, electricity tariffs, and cost of raw materials.

"However, it could also be due to

weak management, low productivity and efficiency, lack of dedication, and poor methods and approaches used. Measures can, therefore, still be taken in these areas to lower costs."

Explaining the concept of Malaysia Incorporated, he said the previous role of the Government was a regulatory one vis-a-vis the private sector, and had led to it being viewed as an "adversary" by the latter.

Under this concept, co-operation between the two would replace this "enmity" so that the nation's productivity would be raised. On the policy of Islamisation of the administration, the Prime Minister said many had wrongly taken it as an "open cheque" to do anything in the name of instilling Muslim values.

"What is meant is that values such as trustworthiness, a sense of responsibility, sincerity, dedication and so on be practised in the administration of Government," he said.