

SIXTH MALAYSIA PLAN:

Foreword by Prime Minister Datuk Seri

THE Sixth Malaysia Plan, 1991-95, is the first phase in the implementation of the Second Outline Perspective Plan (OPP2), 1991-2000, which embodies the National Development Policy (NDP).

The main thrust of the Sixth Malaysia Plan (SMP) is to sustain the growth momentum and manage it successfully so as to achieve the objective of balanced development as enunciated in the NDP.

Managing success means finding solutions to issues which have emerged as a result of the rapid growth of the economy.

The fundamental issues that are dealt with in the SMP are related to the challenge of sustaining the growth process which the country has been enjoying since the rapid recovery following the recession in 1985-86.

Due to the rapid growth

generated by high levels of private sector activity and the rapid expansion of manufacturing for exports, the requirements for higher quality labour and better infrastructure to cope with the needs of a modern economy have become more urgent.

In addition, there are also higher expectations from our increasingly affluent society not only for wider access to public services but also for better standards of such services.

With modernisation and urbanisation, these expectations will surely increase further in the future.

The development programmes in the SMP are aimed at meeting these requirements as expeditiously as possible through much higher levels of public sector expenditure in the transport, communications, energy, education and health sectors.

Although the resource prospects in the next few years indicate that the country's export earnings and Government revenue can sustain the proposed investments, it is essential to ensure that these expenditure are kept within prudent limits so as not to allow the external and public sector deficits to go beyond the levels projected in the Plan.

Careful management of the budget, both on the expenditure as well as on the revenue side, will continue to be important for successful economic management in the nineties.

In the recent past, the strategy of private sector-led growth had pushed us to a higher level of economic success.

As a continuation of this approach, this Plan has entrusted a much bigger role for the private sector to generate growth.

The private sector is also

expected to play an active role in the restructuring of society by contributing to the objective of growth with equity.

The private sector must remain strong and dynamic to meet the increasingly competitive environment. On the part of the Government, it will continue with its policy of productive partnership with the private sector in line with the Malaysia Incorporated concept.

The SMP places great emphasis on increasing productivity in the agriculture sector, expanding the base of our industrialisation and deepening the structure of production through strengthening linkages and accelerating science and technological development.

In the process of development, the Plan also outlines the programmes for the protection of the environment and ecology so as to maintain the long-term sustaina-

bility of the country's resources and development.

In our unrelenting drive for growth, we must not lose sight of the importance of the distributional aspects of development.

As outlined in the Plan, our efforts to achieve growth with equity will continue.

The focus of strategy in the restructuring of society will shift towards qualitative improvements in order to develop a more meaningful and more permanent participation of the Bumiputera in the industrial and commercial sectors of the economy.

In this regard, the development of human resources will continue to be given greater emphasis, particularly for the lower income groups as this will bring about opportunities for them to move into the modern sectors of the economy to earn higher income.