

Progress  
testimony  
to nation's  
strong

17 DEC 1993

foundation

By SHAILA KOSHY

**KUALA LUMPUR:** The remarkable progress in the development of the economy despite a global slowdown and growing uncertainties is an eloquent testimony to the strength and resilience of Malaysia's economic foundation, said **Datuk Seri Dr Mahathir Mohamad**.

In presenting the mid-term review of the Sixth Malaysia Plan (1991-1995) to the Dewan Rakyat, he said the robust growth was also achieved in an environment of low inflation and price stability.

The Prime Minister said in the light of uncertainties in the international economic environment, expansion in domestic demand would provide the impetus for this growth.

However, the private sector would have to be innovative and harness its dynamism to generate growth as well as contribute towards the socio-economic goals of the nation in the spirit of Malaysia Inc (full text from Page 16).

The mid-term review is to evaluate initial efforts towards the attainment of Vision 2020 and assess the achievement of the plan's objectives and targets.

Dr Mahathir said the equitable distribution of national wealth would continue to be the primary agenda towards the creation of social justice and a caring society.

The Government would strive to establish a socially just and equitable society by ensuring sufficient opportunities for all

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# Per capita income up by RM2,000, says PM

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to participate in and benefit from the nation's wealth.

"Eradication of poverty and restructuring of society remain important socio-economic goals under the National Development Policy (NDP) as they were under the New Economic Policy.

"Towards this end, the Government has carried out various poverty redressal programmes focusing on increasing the productivity and income of the poor and low income groups," he added.

He said the Government had launched the Amanah Saham Bumiputera (ASB)-Hardcore Poor Development Programme to enable the hardcore poor to purchase shares in the scheme to supplement their income.

The programmes have been a success in reducing the incidence of poverty from 17.1 per cent in 1990 to 13.5 per cent this year.

He said poverty was reduced even though the level of income used for defining the poverty line was raised from RM370 (1990) to RM405 (1993) for the peninsula and RM544 to RM582 for Sabah and RM452 to RM495 for Sarawak.

Per capita income increased from RM6,238 in 1990 to RM8,350 this year, giving Malaysians better purchasing power parity.

"As anticipated at the



Dr Mahathir... poverty reduced to 13.5 per cent

outset of the SMP, the rapid expansion of the economy was largely domestic demand driven," he said.

"I am indeed proud that the private sector has fully responded to the call (to be the primary engine of growth for the economy) as evidenced by its substantial contribution."

Dr Mahathir said all sectors of the economy performed better than the targets with the exception of the agriculture and mining sectors whose performance was tied to depressed prices of major commodities as well as production constraints and low level of investment.

The manufacturing sector continued to provide the thrust for growth and structural change and the main impetus came from export-oriented industries, particularly electri-

cal machinery and appliances.

Other star performers included fabricated metal, cement and iron and steel industries which reflected the success in the Government's policies to strengthen and diversify the industrial base.

Dr Mahathir told the House that allocations for housing programmes had been increased and the Government would provide guidelines on preparing development plans as well as introduce standard low-cost housing plans.

He said the Government gave its assurance, in unequivocal terms, that social benefits and public interests would not be set aside for quick corporate gains.

Dr Mahathir said Malaysians, irrespective of race and location, must be moved out of the pit and travesty of absolute poverty.

He said private investment which grew at an average rate of 13 per cent during the review period was higher than the plan target because of increased inflow of foreign direct investment.

Dr Mahathir said the construction sector also contributed substantially to the economy's expansion.

He said the sector's growth was mainly due to the buoyant property market and the acceleration in the privatisation of infrastructure projects.