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NEW IMP STRUCTURALLY DIFFERENT FROM PREVIOUS PLAN, SAYS RAFIDAH

By: Jeffri Mohd Rafiee

KUALA LUMPUR, April 23 (Bernama) -- International Trade and Industry Minister Datuk Seri Rafidah Aziz said the new Industrial Master Plan (IMP) in the 7th Malaysia Plan (1996-2000) is structurally different from the previous IMP.

"We are making structural changes in our policy. It is a completely new mind set for everybody," she told members of the Strategic Issues Forum here today.

"Even our approaches towards incentives will change," she said without giving out details of the new plan.

The new IMP will be included in the 7th Malaysia Plan, which is scheduled to be unveiled by Prime Minister Datuk Seri Dr Mahathir Mohamad on May 6, 1996.

Rafidah said: "The new IMP would use the cluster approach of industrialisation, where we would like to have the necessary intra-industry linkages to help develop ancillary industries from among the small and medium-scale enterprises."

In this context, she said the government would continue to give policy and institutional support measures to assist the industry and trade with inputs from the private sector through consultations.

Rafidah said: "The basic factor underlying Malaysia's industrial development policies would be to produce for the external market, and the key element would be competitiveness for both industrial and marketing performance."

She said apart from ensuring the competitiveness of made-in-Malaysia products, there would be greater emphasis on the export of services, either through joint ventures or otherwise.

Malaysia would also continue to nurture and promote the types of industries that could have the greatest benefit to the country, bearing in mind existing competitive advantages and potential competitive advantages that could be developed, she added.

She also said Malaysia would continue to be pragmatic, with flexibility for changes in policy along the way.

The Ministry of International Trade and Industry (MITI)'s policies and strategies would also have to be complemented by pragmatic policies of other government agencies, so as to avoid negating any positive measures, she said.

For MITI, Rafidah said its strategic industrial process, now and in the future, would be influenced by domestic matters, changes within the industrial and the manufacturing environment worldwide.

Its policies also accommodated Malaysia's multilateral commitments regionally and globally, and geared to face "extraneous issues" arising from the global trading environment which actually did not belong to trade matters such as labour and social issues, she said.

"Malaysia would have to both influence as well as react and position itself effectively towards these issues," she added.

Rafidah also told the private sector to keep the cost of doing business in Malaysia competitive.

"It is important to note that part of the services rendered for the private sector is actually rendered by the private sector itself. Here, it is wrong for anybody to point a finger to the government and say please make sure the cost of doing business is competitive."

"They (private sector) must be responsible enough to know what is their cost of doing business and be prepared to talk about ... narrower margin, bigger turnover and therefore bringing down the cost of business in general and helping Malaysian products to be more competitive," she said. --

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