

30/05/1997

SEDCs told to take steps to increase Bumi middle class

Jasbir Singh

KUALA LUMPUR, Thurs. - All State Economic Development Corporations were today directed by the Entrepreneur Development Ministry to take steps to increase the middle class bumiputera population.

Its minister Datuk Mustapa Mohamed said steps taken include expansion of vendor and franchise programmes and helping F-class contractors to raise their standards.

The SEDCs have also been directed to implement programmes to ensure the continued and adequate bumiputera participation in retail and transport sectors, he said.

Mustapa, who chairs the technical committee set up to look for ways to achieve this had earlier met chief executives of SEDCs at his ministry.

Today's move is a follow up to the call last March by Prime Minister Datuk Seri Dr Mahathir Mohamad for efforts to increase the middle class Bumiputera population.

Dr Mahathir had said although the Government was successful in providing job opportunities for lower income bracket Bumiputeras as well as developing corporate leaders, this was not the case for the middle class.

"Besides expanding the vendor programmes," said Mustapa, "we have also directed the SEDCs to recognise vendors certified by other SEDCs so that they can venture into other States as well."

He said the ministry also wanted the SEDCs to identify and secure new franchises for distribution to capable entrepreneurs.

"The SEDCs have been told to select potential contractors and give them suitable contracts and other forms of assistance."

Mustapa said Johor and Selangor already had such programmes for their contractors while the other States would be directed to use existing programmes as models for their own.

As for the transport sector, he said transport licences would be issued to the SEDCs for Bumiputera entrepreneurs on the condition that they use the licences to increase the number of middle class Bumiputeras.

The ministry also directed the SEDCs to adopt two or three schools and implement their own young entrepreneur programmes.

On Bumiputera participation in the retail sector, Mustapa said the ministry has identified a successful sundry shop project by the Perak SEDC in Kg Gajah which would be used as a model.

The ministry hoped that retail-based projects would act as catalyst in increasing Bumiputera enterprises.

Poor networking between individual SEDCs would have to be improved to ensure better co-operation, he said.

"They have been told to get online with each other to be better in touch with one another and the ministry," he said.

The meeting also decided that SEDC chief executives would meet every three months to monitor the progress of the projects and resolve any problems which might crop up.

(END)