

10 DEC 1998

RAFIDAH-ECONOMIC

ECONOMIC MANAGEMENT DURING CRISIS REQUIRES QUICK ACTION, SAYS RAFIDAH

KUALA LUMPUR, Dec 10 (Bernama) --The management of the economy during the current slowdown needs appropriate, quick and effective action as conditions in the country are trying, International Trade and Industry Minister Datuk Seri Rafidah Aziz, said here today.

"In difficult circumstances, the public sector needs to be flexible to assist the private sector overcome the challenges in the marketplace and enhance their resilience," she said at the Prime Minister's Quality Award presentation ceremony here today.

Rafidah was representing Datuk Seri Dr Mahathir Mohamad at the function which was held in conjunction with the International Symposium on Electronic Government.

She said that the public sector needs to track the pulse of the economy accurately and at all levels to enable speedy adjustments to policy, regulations and practices.

During the current crisis, the effectiveness and ability of the public sector was put to test and the private sector would assess the former's ability in its efforts to turn the economy around, she said.

"The public sector also contributes directly to the Gross Domestic Product (GDP) by about 8.69 percent to 9.5 percent between 1995 and 1998," she said.

The current economic problems have made the responsibility of the public sector even more challenging requiring a new and innovative approach to stimulate economic recovery, Rafidah said.

Recovery measures outlined under the National Economic Recovery Plan needs effective follow-up and prompt action as without being constrained by bureaucracy in the public sector, she said.

As a result of the slowdown, a high spirit of Malaysia Incorporated was needed with the public sector ensuring the right environment towards reducing costs, enhancing efficiency and productivity of the private sector.

Rafidah said that the public sector needs to offer something more when providing infrastructure services so that investors in the country would have a high level of productivity.

Supporting services by the government is an important linkage to the physical infrastructure and would contribute to the success of foreign investors here, she said.--BERNAMA

AD MR