

11/09/1999

Case for enhancing Malaysia Inc

Kamarul Yunus

MORE meetings will be held between Government servants, especially the middle ranking officers, and businessmen, to promote a better understanding of the Malaysia Incorporated (Malaysia Inc) concept, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

Acknowledging the problems faced by businessmen when dealing with civil servants, Dr Mahathir said many of these Government employees and officers have yet to fully grasp the objectives of the concept.

Speaking at a dialogue with participants attending the opening of the Fourth Bumiputera Economic Congress in Kuala Lumpur yesterday, the Prime Minister said many of the civil servants did not realise that the Government had a "stake" in every business, through the 28 per cent tax imposed on profits recorded by companies.

"Therefore, we would like to see all businesses succeed because we will also gain from them. Hence, it becomes our responsibility to make any business a success," he said.

Malaysia Inc is a concept where the public and private sectors work as partners in order to facilitate the economic development of the country in which both sectors have a stake.

Dr Mahathir was responding to a question on complaints by Bumiputera entrepreneurs about the difficulties faced by them when seeking assistance from civil servants, especially those in the mid-level category with whom they often met in their dealings.

While senior Government officials understand the importance of helping the business community, he admitted that enthusiasm was lacking among lower ranking officers.

He added that such officers should be enlightened on the broader perspective of Malaysia Inc.

Following this, Dr Mahathir said senior Government officers would be instructed to explain the concept to all their subordinates, not once, but frequently as officers get transferred or replaced periodically.

"I would inform the Chief Secretary to the Government (Tan Sri Abdul Halim Ali) about this matter," he said.

Dr Mahathir reminded the public servants that the Government would not be able to pay or increase their salaries if businesses did not progress as lower taxes would be collected.

The Prime Minister spent about an hour fielding questions which covered all sorts of problems faced by Bumiputera entrepreneurs.

More than 1,000 participants are attending the two-day Congress.

Some of the participants took the opportunity to seek the Prime Minister's approval such as getting financial aid and providing licences to log in Sabah.

For instance, a businessman, representing food handlers in the Klang Valley sought RM500 million as loans for them to start a franchise system. However, Dr Mahathir shot down the request and urged them to use their own capital first.

"We will not succeed if we do not follow franchising rules which, among others, require us to have our own capital to start such a business. Furthermore, if we start with our own capital, we will be more responsible in ensuring the success of our business," he said.

Turning to Bumiputera participation in the retail services, Dr Mahathir said the Government is not satisfied with the performance of Bumiputeras

in this sector.

"I hope we will be able to identify the problems through our discussion such as during this congress and find solutions to the problem," he said, when asked for his views on the findings that only 5.7 per cent of retail premises in the Klang Valley belong to the Bumiputeras.

Other issues raised during the dialogue were the difficulty in getting loans for innovative ideas; developing native reserve land in Sarawak; the impact on the recent economic crisis on Bumiputera entrepreneurs; and Bumiputera preparation in facing the challenges of a knowledge-based economic environment and the new millennium.

(END)