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REVIEW-FOREWORD

GOVT COMMITTED TO PROVIDING CONDUCIVE ENVIRONMENT, SAYS PM

KUALA LUMPUR, April 22 (Bernama) -- The government will continue with its responsibility and commitment to ensure a conducive economic, social and political environment where all Malaysians can participate in and share the benefits of economic development, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

Writing in the foreword of the Mid-Term Review (MTR) of the Seventh Malaysia Plan (7MP) (1996-2000), he said measures would be taken to restore investor confidence, revive economic activities and continue human resource development as well as address falling productivity, low capital efficiency and inflationary pressures.

New sources of growth would be identified, he added.

In recognising the importance of human resources in the push for productivity-led economic growth, Dr Mahathir said the supply of skilled manpower would be increased, access to education and training facilities improved and labour market mechanisms strengthened.

The prime minister also said the MTR period of the 7MP would be remembered "as a time when the national economy faced many challenges arising from the effects of the recession in 1998.

The period would also be remembered for the unprecedented measures and the willingness of both the public and private sectors to adopt appropriate policy adjustments, he said.

Dr Mahathir said the MTR had assessed the progress of the nation's economic development during the first three years of the 7MP (1996-1998), the constraints encountered and the new measures taken to manage the pressing issues which affect growth.

It also addressed the prospects for the remaining Plan period and presented strategies that had been fine-tuned to facilitate the attainment of the National Development Policy (NDP) and the status of a developed nation as envisaged in Vision 2020.

Dr Mahathir said the economy performed commendably in the first two years of the Plan period (1996-1997) but was adversely affected in 1998 by the financial crisis, which began in 1997.

This crisis compelled the government to undertake a series of strong measures to ensure that the stability of the nation was not further adversely affected.

The National Economic Action Council (NEAC) was established on Jan 7, 1998 and the National Economic Recovery Plan (NERP) was prepared and launched on July 23, 1998 to respond to the immediate economic crisis.

The NERP also provided a comprehensive framework for addressing structural and medium-term issues. These measures were pragmatic and designed to resolve the critical issues facing the country and required the full commitment, not only on the part of the government but Malaysians from all walks of life, he said.

Dr Mahathir said through the concerted efforts of the nation, signs of economic recovery had begun to emerge.

He, however, said Malaysians needed to strive further to ensure a sustainable economic recovery and restore the growth momentum.

The country, he said, is still vulnerable to external developments.

But having learnt from past experiencing, he said Malaysia would continue to co-operate and work towards reforms in the international financial architecture to ensure that the economic devastation resulting

from the financial crisis would not be repeated. -- BERNAMA  
MFZ LPS SHY