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BUDGET DIALOGUE

BUDGET 2002 SHOULD GIVE PRIORITY TO NATIONAL UNITY

KUALA LUMPUR, July 10 (Bernama) -- Malaysia's internal resilience can be enhanced if national unity can be strengthened and the Budget 2002 should give priority to this course, said the Asian Strategy & Leadership Institute (ASLI).

"Perhaps consideration should also be given to establish a Race Relations Institute or to revive the Socio-Economic Research Unit (SERU) to undertake studies on unity on race relations," it said in its memorandum sent today to the finance ministry for the Budget 2002.

The memorandum was submitted by ASLI's chief executive officer Datuk Michael Yeoh during the Budget Dialogue chaired by the Prime Minister cum Finance Minister Datuk Seri Dr Mahathir Mohamad at Putrajaya this morning.

ASLI also recommended that a high powered National Unity Consultative Council chaired by either the Prime Minister or his deputy be set up.

Besides this, the institute suggested that a high-powered National Economic Advisory Council should be formed under the chairmanship of the Prime Minister and to include economists, financial analysts and long-range strategic planners from the government, academia and the private sector.

The institute among others proposed that that the Malaysia Inc concept needed to be revamped to make it relevant not only to the business society but to the man on the street as well.

ASLI also said: "The Budget 2002 can also look at reengineering government so that it can provide faster delivery of services at all levels and focus more on the customers - the citizens of the country."

Reengineering the government could be a major initiative to improve overall efficiency and levels of services that would further enhance competitiveness, and the Budget 2002 could provide a road-map and adequate funding to do the task, it added.

The process of enhancing good governance could also be further strengthened by further deregulation and liberalisation, ASLI said.

It added: "Towards this end, it is proposed that the FIC (Foreign Investment Committee) guidelines be further liberalised by extending the new threshold of RM20 million beyond the property sector to include other investments in real economy."

ASLI said suitable measures should also be undertaken to stimulate and bring back investors' confidence in the capital market, perhaps by reducing both the corporate and income tax to 25 percent in the Budget 2002. --

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