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GERAKAN-ECONOMY

GERAKAN DRAFTING ECONOMIC MASTERPLAN FOR PENANG

KUALA LUMPUR, Sept 29 (Bernama) -- The Penang government, under Gerakan's leadership, is preparing a masterplan to shift the state's economic activity from industrial to smart industries and knowledge economy, Gerakan president Datuk Seri Dr Lim Keng Yaik said here today.

Under this plan, information and communications technology (ICT) will play an important role as the prime mover of most of the economic activities which emphasised on value, he said in his speech at the launch of Gerakan's 30th National Delegates Conference.

The two-day conference was officiated by prime minister Datuk Seri Dr Mahathir Mohamad today.

Dr Lim also said that by 2004, the second phase of the Multimedia Super Corridor (MSC), would be implemented in Penang which is widely known as Malaysia's Silicon island.

"I am confident that with this, Penang will be able to come out with a suitable testing site to educate and develop local technology companies and entrepreneurs," he said.

Apart from infrastructure, local companies, especially small and medium industries (SMIs), also need to utilise ICT so that they could compete in the global market, he said.

He said that in order to face new challenges, "we must step up efforts to strengthen our economic resilience and enhance our competitiveness.

"This is in fact imperative for with increasing reliance on market mechanisms and market reforms, there is this risk that many countries are now catching up, in their ability to compete in the global economy that is fast becoming more integrated and liberalised."

He also said that there were a few gaps which Malaysia needed to overcome in order not to be left behind.

One such gap is the skills gap which is likely to erode the country's competitiveness, if is not overcome soon.

"As such, we need to enrich our skills, especially in the ICT, engineering, marketing and management by embarking upon larger scale training and re-training, especially of the unemployed, now, " he said.

He said that enhancing training capacity and offering courses that inculcate skills relevant to the future changing needs of industry is important.

Efforts to "close the skill gap" is very important as it helps to enhance overall productivity, especially since Malaysia is currently facing resource limits and constraints, he said.

Dr Lim said: "We need to rely more on total factor productivity growth rather than enhanced factor inputs as a source of economic growth." --

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