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Parliament-Mahathir-Poverty

MALAYSIA ACHIEVED SIGNIFICANT PROGRESS IN POVERTY ERADICATION

KUALA LUMPUR, April 3 (Bernama) -- Malaysia achieved significant progress in terms of poverty eradication, restructuring employment and the development of the Bumiputera Commercial and Industrial Community, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said the incidence of poverty among Malaysians were reduced to 7.5 per cent in 1999 with 351,100 households lifted out of poverty.

The incidence of poverty in both rural and urban areas declined by almost half their levels in 1990, he said when tabling the Third Outline Perspective Plan (OPP3) at the Dewan Rakyat here today.

However, he said the incidence of poverty among the Bumiputera remained the highest when compared with other ethnic groups.

In terms of restructuring, the share of Bumiputera ownership of corporate capital initially increased from 19.3 per cent in 1990 to 20.6 per cent in 1995.

As a result of the economic crisis, their share fell to 19.1 per cent, Dr Mahathir said.

Dr Mahathir also said the share of non-Bumiputera ownership of corporate capital also declined, while the foreign ownership rose following the liberalisation of foreign investment to accelerate the recovery process.

However, both the Bumiputera and non-Bumiputera registered absolute increases in their equity ownership, he added.

On the privatisation programme which served as an important vehicle to enhance Bumiputera participation in the corporate sector, Dr Mahathir said companies undertaking privatised projects were required to provide at least 30 per cent equity to Bumiputera as well as allocate at least 30 per cent of contract works of major privatised projects to Bumiputera contractors.

He added that the implementation of programmes for the Bumiputera commercial and industrial community also helped to increase the number of Bumiputera enterprises in both the corporate and non-corporate sectors.

In terms of regional development, the Prime Minister said states that engaged in modern sector activities grew rapidly and there were greater economic opportunities available in urban centres.

Dr Mahathir also said about three-fifth of Malaysians lived in urban areas in 2000 compared with about half in 1990.

"The increase in urban population has resulted in a new phenomenon, that is, the expansion of squatter settlements and the emergence of relative poverty in the urban areas among Bumiputera and the Indian community," he added.

-- BERNAMA

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