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MAHATHIR-BUDGET

PM: GOVT TO HELP REDUCE COST OF DOING BUSINESS

PUTRAJAYA, May 31 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad says the government will help reduce the cost of doing business and improve the efficiency of the private sector.

This will be carried out by streamlining the government's machinery for greater efficiency and effectiveness so that it will have an efficient delivery system, he said at the the pre-2003 Budget dialogue here.

Dr Mahathir said the government would continue to provide a conducive business and investment environment to encourage greater private sector activity.

However, he said the private sector must adapt to changes quickly in order to be more dynamic and resilient.

Dr Mahathir Mohamad, who is also the finance minister, said besides providing co-operation and support to the private sector under the spirit of Malaysia Incorporated, the government would continue to adhere to its pragmatic economic management while providing suitable services and facilities.

He said the government would continue to restructure the financial and corporate sector to strengthen the banking and finance industry.

Strategies to enhance corporate governance would continue in order to reinforce investor confidence, he said.

The 2003 Budget will be tabled on Sept 20.

Dr Mahathir also said Malaysian exporters needed to enter new markets like China, West Asia and Africa and should not focus entirely on traditional markets like the United States, Japan and Europe.

He stressed that Malaysia needed to increase its efficiency and productivity by encouraging continued creativity and innovation in order to compete internationally, especially with China becoming a member of the World Trade Organisation.

Given the above scenario, Malaysian products must be of high quality, competitively priced and meet the tastes of consumers who were becoming increasingly sophisticated, he said.

Dr Mahathir also said there has been improved confidence on Malaysia by foreign investors and the country's image was now at a high level.

As such, he said this was the right time for the private sector to seize the opportunities in trade and investment as well as establish smart partnerships with strategic partners to expand the nation's markets. --

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MAS SHY