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'Our standard of living has improved'

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KUALA LUMPUR: Datuk Seri Dr Mahathir Mohamad in his last appearance in Parliament as Prime Minister yesterday tabled a "report card" which shows Malaysia doing well with a mean household income that has gone up three-fold compared with 1983.

The mean household income grew from RM1,098 per month two decades ago to RM3,011 last year, an achievement not seen in any other country, he said when tabling the Mid-Term Review of the Eighth Malaysia Plan.

"In fact, when I first presented the Mid-Term Review of the Fourth Malaysia Plan in 1983, the incidence of poverty was still high at 21%," he said, adding that the rate had declined to about 5% now.

The Prime Minister spoke extensively on the progress of the Government's numerous plans in his two-hour speech.

Dr Mahathir also touched on the setting up of a new investment institution called Dana Harapan to mobilise bumiputra resources.

"This will enable the introduction of innovative unit trust products and further expand investment opportunities for bumiputras."

He said the Government would increase the development ceiling of the Eighth Plan by RM50bil to RM160bil.

"The increase means that for the next two years, the average development expenditure will be RM25.4bil per year, that is, equivalent to the annual level of development expenditure prior to the economic slowdown."

Of the RM160bil, more than 80% is for the economic and social sector.

Education and training will receive the highest allocation, accounting for 25% of the total development expenditure.

The health sector will get 5.9%, housing 3.9% and local authorities and welfare services 5%.

"The major portion of the allocation for the economic sector is for the development of infrastructure and utilities," he said.

In explaining that the focus of the Eighth Plan was to raise the level of development so that Malaysians could enjoy a higher quality of life, he said the economy registered a real Gross Domestic Product growth of 3% each year during the review period between 2001 and 2003.

Among the points highlighted were that private consumption rose from 2.4% in 2001 to 5.2% this year, and that the current account surplus was expected to be about 10% of Gross National Product.

"Although we expect the global economic environment to improve during the remaining Plan period, we must be prepared to meet new challenges that will test our resilience, productivity, resourcefulness and innovative capabilities," he said.

The Mid-Term Review, he said, would focus on bolstering economic resilience to better withstand shocks and developing a more equitable society so that everyone could benefit.