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Mahathir-Fund

'DANA HARAPAN' SET UP TO MOBILISE BUMI RESOURCES, SAYS DR MAHATHIR

KUALA LUMPUR, Oct 30 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the government will set up a new investment institution, 'Dana Harapan', to attract and mobilise Bumiputera resources.

"This will enable the introduction of innovative unit trust products and further expand investment opportunities for Bumiputeras," he said when tabling the Mid-Term Review of the Eighth Malaysia Plan (2001-2005) in the Dewan Rakyat.

In addition, he said, the government would award at least 60 per cent of procurements and contract works in government projects to responsible, competent and capable Bumiputera.

"More efforts will be needed to provide opportunities to Bumiputeras in selected sectors if the target of at least 30 per cent Bumiputera equity ownership by 2010 is to be met," said Dr Mahathir who will retire tomorrow after being at the helm of the nation for 22 years.

Dr Mahathir, who is Finance Minister, said that the government was aware that efforts to increase Bumiputera equity ownership during the remaining Plan period would become more challenging particularly with globalisation and greater market liberalisation.

With regard to the restructuring of society, he said, all ethnic groups recorded an increase in ownership of share capital during the review period. Bumiputera ownership of share capital based on par value increased from RM63 billion in 2000 to RM73.2 billion in 2002, recording a growth rate of 7.8 per cent per annum.

However, he said, Bumiputera share of equity decreased slightly from 18.9 per cent in 2000 to 18.7 per cent in 2002.

Chinese ownership of share capital increased to RM159.8 billion in 2002, growing at 11.2 per cent per annum during the review period while the Indian equity increased to almost RM6 billion in 2002, with a growth rate of 7.6 per cent.

Dr Mahathir said that Bumiputera companies were still too friable and were easily adversely affected by factors such as turmoil and low economic growth.

As part of restructuring efforts, he said, attention was also given to the restructuring of employment to ensure that the pattern of employment reflected the ethnic composition of the nation.

"We have noticed improvements in the participation of Bumiputeras in the professional, managerial and other high-income occupations."

In eight selected professional occupations, namely, accountants, architects, doctors, dentists, veterinary surgeons, engineers, surveyors and lawyers, the proportion of Bumiputeras registered increased from 35.5 per cent in 2000 to 37.2 per cent in 2002.

Dr Mahathir said that education and training would remain an important strategy to meet the employment restructuring objectives.

He said that assistance would be given to qualified Bumiputera students to study in public and private institutions of higher learning, particularly in science, ICT and professional courses.

Steps to increase non-Bumiputera participation in the public service would be continued, especially in professions in which they were not well represented, such as teaching, nursing, police and the armed forces, he added.

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