

Don't back opposition, business sector warned
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The business community was today warned by Prime Minister Najib Abdul Razak that for the sake of their future, they should not take chances by supporting the opposition.

Although Najib did not exactly indicate what he was referring to, it was indirectly meant that they should not support Pakatan Rakyat.

"I share your dreams and aspirations (to build the country). What I want to achieve is a tall order, and I am asking you to join me in this quest.

"The journey may be long, but let us take the journey together. This is not the time to experiment and take chances with your future. I am sure you know what I am referring to... business people are always pragmatic and astute," he said.

Najib (left) said this in his speech at a Chinese New Year open house and briefing on the Malaysian Innovation Agency held at SJK (C) Sungai Way in Petaling Jaya. The event was organised by SMI Malaysia, an association of small and medium industries, enterprises and businesses in Malaysia.

The prime minister earlier said the government recognised that BN had suffered its biggest defeat in the March 8, 2008 general election, but that the coalition has grown, adapted and changed.

"We (BN) are determined to achieve bigger success in the near future," he said.

"Never did the thought of (BN) giving up ever cross our minds, as the future of Malaysia is at stake."

Business must change and innovate

Malaysia, he added, was facing pressures never faced before.

"Communist countries like China and Vietnam have turned to become more market-driven and capitalistic. Thailand and Indonesia are able to produce goods at a lower price than we can.

"These countries today have what we once enjoyed - a lower price base. We have moved up the ladder and as a result our cost of production has gone up.

"Our earlier success has placed us in the 'middle income trap', where we are no longer competitive on cost. This has affected the livelihood of some of our businesses and they have had to compete fiercely," Najib said.

Businesses, he said, must also adapt and change to face the altered business environment.

Najib said to create a different future, all must start to think differently.

"To be truly successful you must do more than adapt, as you must compete in price and

also innovate.”

Changing the rules of business and products, one must innovate so one's product or service will have added value by incorporating certain features or removing them.

“By removing, I mean look at iPad - there is no mouse, it cannot connect to a projector but it costs more than an ordinary laptop computer. Customers are willing to pay more to have certain features removed,” he said.

Innovation agency formed

Najib also announced the formation of another statutory body called the Malaysian Innovation Agency, which will provide a framework for the government to become more responsive and simplify guidelines for business innovation needs.

This, he said, would push the idea of innovation from local universities to the forefront for use to in businesses to help synergise them.

The formation of the Special Innovation Unit (Unik) is to identify, locate and gain access to this local technology at a reasonable cost.

“We are determined to address this technology issue. I recently launched Unik, an initiative under my office to address your innovation needs. Unik has started going into our universities and research institutes to find technologies or innovations and put them in plain business language, so businesses can benefit from them,” the prime minister said.

Later, at a question-and-answer session with the attendees, including those in small and medium enterprises, Najib pledged that the agency would not be another tight bureaucracy-based entity.

“It will consist of people who have experience in the private sector and members of the public, and it will help business,” he said.

Also present was the national president of Small and Medium Industries Malaysia Chua Tiam Yee, Minister in the Prime Minister's Department Koh Tsu Koon, Health Minister Liow Tiong Lai and Federation of Chinese Associations Malaysia (Hua Zong) president Pheng Yin Huah.

Chua said the role of the SMIs in the country could not be denied as at least 50 percent of the country's GDP was contributed by SMIs, which were economic pillars in any country.