

Najib announces bumiputera unit in MRT Corp
Malaysiakini.com
November 26 ,2011

Prime Minister Najib Razak today announced the setting up of a bumiputera unit in MRT Corp, a company under Minister of Finance Inc.

He said the unit, with the cooperation of Peneraju Agenda Bumiputera (Teraju), would select qualified bumiputera contractors for the MRT project, estimated to be worth more than RM50 billion.

The government will also create a broad economic ecosystem encompassing big bumiputera companies to help increase the number of bumiputera vendors.

Najib said the creation of the ecosystem would help increase the participation of more bumiputera companies.

Najib, who is also finance minister, said to be effective, one important factor which has to be considered was that a contract awarded to a bumiputera firm has to give a reasonable margin.

"I would like to remind big corporations, whether government- or private-sector owned, not to take lightly this matter," he said at the launch of the 'Bumiputera Economic Transformation: A Roadmap' document today.

On the Bumiputera Economic Transformation Roadmap, Najib said, it would encompass policies and strategies to correct the current imbalance in income and wealth distribution.

"The aim is to ensure that when Malaysia achieves its Wawasan 2020 target, the participation of bumiputeras in the economy will be equal, especially in the high-growth sectors, high-income jobs and ownership of big firms.

"The roadmap outlines policy, strategy and special initiatives to strengthen bumiputera economy," said Najib, who is also Umno president.

Maximum impact in shortest time

He said the country needed to undertake various transformations in line with global developments.

These included Government Transformation Programme, Economic Transformation Programme, Political Transformation Programme and Rural Areas Transformation Programme which were undertaken under 1Malaysia principle of 'People First, Performance Now'.

Najib said although transformation roadmap involved only bumiputeras the benefits would be enjoyed by all Malaysians.

"The bumiputeras form the biggest majority of the population and when the bumiputera economy grows, they would also have strong buying power.

"They would also form joint ventures with non-bumiputera firms and buy from them," he said.

The prime minister said the 'Bumiputera Economic Transformation: A Roadmap', a dynamic 'living document', would be continuously updated to ensure it was relevant with the changing socio-economic landscape locally and globally.

The roadmap aimed to achieve maximum impact in the shortest time possible, he said.

Najib said the continued implementation of the New Economic Policy (NEP) has helped reduce the

poverty rate, raise the equity participation of bumiputeras in the corporate sector and increase the number of bumiputera professionals.

"Although the NEP has been a success, imbalances still exist. The bumiputera participation in the economy is still not in accordance their numbers," he said.

Najib said although the bumiputera households make up 65 percent, the majority of them was in the low-income group.

Bumiputera equity holding (based on par value) in listed companies was at 21.9 percent in 2008, he said.

"It has not reached the target 30 per cent. Thus a big shift is needed to raise the bumiputera equity overall," he said.

He said the launch of the roadmap would serve as a starting point to lift the bumiputera economy and the community to greater heights.

The roadmap has three strategic focus - reform of policy instruments and rationalisation of delivery system; strengthening education and building capabilities; and acquiring, creating or developing businesses with sufficient scale.

It would be guided by six principles namely market-friendly, needs-based, merit-based, transparency, pro-growth and building sustainable competitiveness.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd
<http://www.malaysiakini.com/news/182499>