

Minister plays down drop in competitiveness ranking
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The recent global competitiveness ranking, which saw Malaysia slip two notches, has no major impact on the country's economy and investor sentiment, says International Trade and Industry Minister Mustapa Mohamed.

However, the government acknowledges some issues addressed in the report and will leave no stone unturned in efforts to improve.

koh tsu koon wawasan university 220906 mustapa mohamed "If there is a need for change, we have to do it," he told Bernama at Prime Minister Najib Razak's Hari Raya open house in Putrajaya today.

Such changes, he said, will add greater value to the ongoing Government Transformation Plan (GTP).

"We hope to see (more) improvements taking place in the next few months as the government is taking an aggressive approach towards transformation," he said.

Malaysia slipped two notches to 26th spot from the previous 24th ranking in the World Economic Forum's Global Competitiveness Report 2010-2011 released yesterday.

Higher education, training, institutions, technology readiness and labour market efficiency were among the concerns expressed in it.

The report also noted that it was not all that bad for Malaysia, as the country scored well in some crucial areas such as the legal rights index, together with Hong Kong and Singapore.

Malaysia scored high on the strength of investor protection, ranking fourth after New Zealand, Singapore and Hong Kong.

Among Asia-Pacific countries, Malaysia ranked eighth, ahead of China, Thailand, India, Indonesia and the Philippines.

Ringgit at 13-year high

Meanwhile, on the ringgit which is now at a 13-year high of 3.11 against the US dollar, Mustapa said: "Exporters are not affected at this point of time as we continue to enjoy good growth."

The minister reiterated that the strengthening of the ringgit was not a big issue as Malaysia's imports and exports are growing with the country continuing to be an attractive destination for investors due to its strong fundamentals.

Touching on French retail giant Carrefour's plans to sell its business in Malaysia, Mustapa said it is a normal business cycle, and not something to be worried about.

"There is serious competition in Malaysia but many supermarkets have expressed an interest to come in and contribute to an increase in investment. Therefore, it's not a problem," he added.

- Bernama

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