

DATE: 4 / 12 / 2009

# PM: Get prepared for the economic recovery

NST-4/12/09

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**KUALA LUMPUR:** The private sector should take advantage of the present economic slowdown to make strategic and operational changes internally, said Prime Minister Datuk Seri Najib Razak.

Najib said this was to ensure that they would be able to ride the growth wave when the economy recovered.

Speaking at the 41st annual dinner of the Federation of Malaysian Manufacturers last night, Najib said continued investment in innovation, productivity and information technology would help the private sector break free of the traditional low-wage business models.

"We need to move Malaysian manufactured products up the value chain to make them more attractive in the international marketplace."

Saying that manufacturing would remain the foundation of the country's economy, Najib, who is also finance minister, added that the manufacturing sector must be aligned with the evolving



Prime Minister Datuk Seri Najib Razak says there is a need to move Malaysian-manufactured products up the value chain

business environment.

In addition to investments in higher technology and manufacturing value added products, the private sector must also create a highly skilled workforce that is proficient in new technologies.

"The government has a role to play by developing more competitive national educational curricula and standards.

"But we look to the private sector to help ensure that our workforce receives continued on-the-job training to help them evolve with the increasing demands of the global workplace.

"Our focus needs to be on introducing new technologies and entering advanced fields such as biotechnology, manufacturing related services and other high value service industries driven by knowledge and inventiveness."

Najib said this value added could be achieved not just through an increase in know-how and technology but also through branding and corporate reputation.

Green technology and renewable energy also offered enormous promise, he added.

"Our economy is picking up again and I am confident we will see a strong gross domestic product (GDP) recovery for next year which will be a testimony to the nation's resilience.

"I will reiterate again tonight

that our goal is to move Malaysia from a middle-income country to a high income economy in which all citizens can benefit from growth and new business opportunities.

"Next year's growth is especially ambitious, particularly in light of the budget deficit.

"I believe we can push that additional per cent or two, from the private sector. While it won't be easy, however, I do think we can achieve the target."

He added the World Bank had just revised next year's growth projection for Malaysia to 4.1 per cent.

The unveiling of the country's new economic model planned in the coming weeks, he said, would not only help the government to reshape economic activities and planning, but also society.

"A new economic model cannot come at a more pressing time. Despite promising economic signs, we are not out of the dark yet and, if anything, the past year is an unwelcome but necessary signal of all the work that remains to strengthen the country's economic security."