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PM vows more reforms

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Move to strengthen nation's investment appeal

KUALA LUMPUR: Datuk Seri Najib Tun Razak, fresh from a working trip abroad, has pledged to commit himself to making further economic reforms to strengthen Malaysia's investment appeal.

The Prime Minister said that on his visit to the United States, he briefed corporate leaders, fund managers and potential investors on Malaysia as a worthwhile investment destination.

"The feedback that I received from the financial community was that, while our 'Malaysian story' is attractive, we could do more to draw global investors to our capital markets.

"I have taken this message on board and will commit to making further economic reforms to strengthen our investment appeal," he said in his blog, www.1malaysia.com.my.

After visiting the United States, he went to Trinidad and Tobago to attend the Commonwealth Heads of Government Meeting (CHOGM).

Najib said he was convinced that the forthcoming economic



Serious discussion: FMM president Tan Sri Datuk Mustafa Mansur chatting with Najib during the federation's annual dinner in Kuala Lumpur last night.

reforms would mark the beginning of a new chapter of the "Malaysian story", with economic relations between Malaysia and the United States set to progress in a very constructive way.

"My stopover in New York and Washington DC, en route to the Commonwealth summit, was brief but fruitful," he said.

Speaking at the Federation of Malaysia Manufacturers' 41st

annual dinner here last night, Najib said the additional percentage in Malaysia's expected economic growth next year could well come from the private sector.

He said that while next year's economic growth was particularly ambitious in the light of the 2010 Budget deficit, he believed the extra one or two per cent could come from the private sector.

On the introduction of the goods and services tax (GST), Najib said it should not be politicised as it was one way to increase the country's competitiveness.

"The time has come for us not to politicise the introduction of the GST but to see it as a way to help keep the country strong," he said.

Najib added that the GST would broaden the Government's tax revenue base so that it would not be dependent on one particular sector.

"Malaysia has been dependent on oil revenues but this source of income will slowly disappear as our country's petroleum resources are finite.

"We are planning to implement the GST to overcome any drop in tax revenue," he said.

Najib added that the GST will be done in a "structured and gentle" manner, where the tax will be introduced in neutral fashion in line with the current levels of the services and sales tax so that it will not be an added burden to the people.