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Prime Minister Datuk Seri Najib Razak and United Nations Development Programme administrator Helen Clark arriving for the Global Transformation Forum at the Kuala Lumpur Convention Centre yesterday. Pic by Aizuddin Saad



CALLING ON THE PM

Prime Minister Datuk Seri Najib Razak receiving a courtesy call from Saudi Arabian Foreign Affairs Minister Adel Ahmed al-Jubeir, who is on a one-day official visit to Malaysia, at the Putra World Trade Centre in Kuala Lumpur yesterday. Al-Jubeir, who commended Malaysia on being a tolerant and multicultural society, said both countries will continue working together in various fields, including political consultation, the economy, military and education. Bernama pic

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‘Malaysia in better position today’

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PROGRESS: Nation robust, resilient in dealing with external shocks, says Najib

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MALAYSIA has shown “phenomenal” economic transformation, with sustained growth and investments reaching record levels.

Prime Minister Datuk Seri Najib Razak said it was important not to lose sight of the achievements of transformation plans carried out over the past few years.

“Over the last six years, Malaysia

has been on a journey like no other. We stand today in a far better position, as far more robust and resilient, in dealing with external shocks and volatilities in a globalised economy that no one country can counter on its own.

“It has been nothing short of phenomenal. We have seen sustained economic growth year-on-year. We have more than doubled investments in the last four years, compared with the preceding four and investments have reached record levels,” Najib said in his keynote address at the Global Transformation Forum 2015 yesterday.

The two-day forum, themed “Operationalising Transformation: Shifting Dialogue to Effective Action”, focuses on non-traditional approaches to policymaking, project implementation and overcoming personal challenges.

The government is expected to

announce a balanced budget tomorrow.

Despite the fiscal deficit falling to 3.4 per cent last year from 6.7 per cent in 2009, Najib was confident Malaysia could reach its economic targets.

“As per our targets, we are confident of reaching a balanced budget, or as close to that as possible, by 2020. I will outline some of the measures we intend to take in our annual budget announcement this Friday.

“We all know that the global economy is facing some fierce headwinds. The decline in oil and commodity prices, the inevitable rise in the United States’ interest rates and the devaluation of the Chinese yuan are all tough for an outward-facing trading nation, such as Malaysia.

“This environment could be with us for a few years. As such, we need to re-strategise to keep our objectives and ambitions intact, and maintain our long-term vision for Malaysia.”

In achieving the target, Najib, who is also finance minister, said some hard decisions had to be made, including the removal of fuel subsidies and the introduction of the Goods and Services Tax (GST) in April.

Both, he said, were among the toughest measures the government had undertaken to promote competitiveness and significantly increase the tax base.

“Not everyone is happy with these moves. But the measures are necessary for us to continue our transformation.”

Najib said Malaysia needed to escape the middle-income trap if the country was to have any hope of achieving high-income status by 2020.

“We have to pursue growth while removing inefficiencies, but without compromising on standards of living. We needed transformation.

“Investments are thinning. There is increased competition for global investors and our economy is in danger of getting caught in the middle-income trap. There is a need to reignite the engines of growth.”