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# A unified team backing PM

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## CABINET RESHUFFLE:

It will spur FDIs and strengthen the ringgit, says UKM professor

KUALA LUMPUR

**E**CONOMISTS believe that the cabinet reshuffle should see Prime Minister Datuk Seri Najib Razak having a solid and unified team backing his leadership to face economic challenges.

Universiti Kebangsaan Malaysia Graduate School of Business's Professor Datuk Dr John Anthony Xavier said the reshuffle was welcomed as it should strengthen the cabinet.

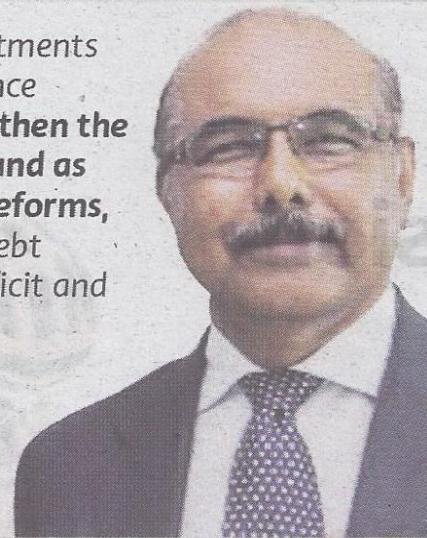
"It should afford certainty in national affairs and help spur foreign direct investments, and stabilise the ringgit," Xavier told the *New Straits Times* yesterday.

The reshuffle saw the appointment of two new ministers and four new deputy ministers.

Although minor in scope, Xavier said, the reshuffle saw the filling of three important cabinet posts that would have a direct bearing on how Malaysia would face its economic challenges.

The appointments at the Finance Ministry will strengthen the prime minister's hand as he takes on fiscal reforms, such as the public debt position, budget deficit and revenue position.

**Professor Datuk Dr John Anthony Xavier**  
Universiti Kebangsaan  
Malaysia Graduate  
School of Business



"Two of these posts are in the Prime Minister's Department.

"They have a direct bearing on the macro-economic management of the economy and the National Transformation Plan (previously headed by Tan Sri Wahid Omar and Tan Sri Idris Jala)."

"The appointments at the Finance Ministry will strengthen the prime minister's hand as he takes on fiscal reforms, such as the public debt position, budget deficit and revenue position."

The third post is plantation industries and commodities minister. The deputy minister's post of the ministry has also been filled.

"These posts are important as the ministry is responsible for ensuring the stability of our commodity prices, such as palm oil, and to ensure their sustainable development," said Xavier

Moody's Analytics associate economist Jack Chambers said the reshuffle did not offer many surprises, with new appointees largely in line with expectations.

"Overall, the changes do not alter our outlook for the Malaysian economy.

"For this year, we have forecast the economy to grow at four per cent."

Chambers said the main way that

the reshuffle could affect the economy was through the implementation of the 11th Malaysia Plan 2016-2020.

If Malaysia wanted to achieve its goal of becoming a high-income nation by 2020, it would need to focus on investments that would improve productivity and economic growth over the medium term, he added.

The new ministers are Selangor Umno chief Tan Sri Noh Omar as urban wellbeing, housing and local government minister and Deputy Finance Minister Datuk Johari Abdul Ghani, who has been elevated to Second Finance Minister, replacing Datuk Seri Ahmad Husni Hanadzlah who has retired.

Deputy International Trade and Industry Minister Datuk Lee Chee Leong is now deputy finance minister, along with Datuk Othman Aziz.

Former deputy finance minister Datuk Chua Tee Yong is now deputy international trade and industry minister.

Datuk Datu Nasrun Datu Mansur is now deputy plantation industries and commodities minister, while Datuk Henry Sum Agong is new deputy domestic trade, co-operatives and consumerism minister.

MIC deputy president Datuk Seri S.K. Devamany has been appointed deputy minister in the Prime Minister's Department.