

Council to drive economy forward

The Star 12/2/2019 pg. 8

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By JAGDEV SINGH SIDHU
and GANESHWARAN KANA
starbiz@thestar.com.my

PETALING JAYA: The Prime Minister and his key economic and finance ministers feature in a 16-strong committee that will form the Economic Action Council.

It will examine and decide on the economic and financial affairs and welfare of the people.

"The council was formed to respond and act on the feedback of the masses on the problems they face, particularly in the field of economy.

"The main aim of the council is to encourage and stimulate sustainable economic growth, equitable distribution of wealth and further enhance the well-being of the people.

"The council will also look into issues related to the cost of living, employment, poverty and home ownership," said a statement from

the Prime Minister's Office yesterday. (See graphic for list of members)

The move is timely and a positive step in the right direction, said Socio-Economic Research Centre executive director Lee Heng Guie.

He said the council was expected to draw up immediate and medium-term priorities to sustain the country's economic growth and development.

"Among these include the measures to address cost of living as well as to ease the cost of doing business and compliance costs.

"Structural policies and reforms have to be stepped up, in particular in skilled manpower, public sector delivery and efficiency, exports capacity, develop innovative and creative industries and the digital economy," Lee told *The Star*.

Echoing a similar stance, AmBank Group chief economist Anthony Dass said the council was similar to the one formed in 1998 during the Asian Financial Crisis.

"However, this time around, the council will focus on ways to address economic headwinds and how to drive the domestic economy amid the challenges," he said.

The old NEAC (National Economic Action Council) was formed to navigate Malaysia out from the worst recession in a generation.

Dass added that the formation of the Economic Action Council was timely, considering the current challenges that had affected the macroeconomic conditions and the rakyat.

"The council's composition is broad and well-mixed, a variety of experience and expertise and the council will have to find measures to stimulate the economy, continue economic expansion and ensure that the machineries of the government can work with the private sector to drive the economy," he said.

The council, he added, must identify areas that could be areas of growth and also add to public revenue.

"It must also focus on the new key areas such as the digital economy and how can the government encourage the adoption of digitalisation across industries, particularly among SMEs.

"The working group under the council is also important, to ensure the success of the execution," he said.

The main brickbat the composition of the council has drawn is the absence of younger faces.

"It is the same ministers and academics and where are the business people and entrepreneurs?" asked a political analyst.

Another source who declined to be named said younger people would have brought different perspectives to the council and offered an independent voice in the formation of ideas and policies.

He said such voices would probably be sourced from the working groups the Economic Action Council would have featured at the high-level main committee.