

Malaysia: We can cope with global headwinds
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MALAYSIA has the ability to withstand past and current external headwinds as it has the capacity to be flexible in coping with the challenges, said Minister in the Prime Minister's Department Tan Sri Nor Mohamed Yakcop.

"We've undergone bad times like when prices of commodities plunged in the 1960s and a financial crisis in the 1997 ... and we have adjusted well because we have policies of which the leaders have the flexibility to use, unlike other countries," he told a media briefing after announcing the Economic Census Report 2011 here yesterday.

The current headwinds have led Malaysia to focus more on domestic investments and consumption to mitigate the effects of slowing advanced economies.

The unemployment level is also low, unlike countries in crisis-hit Europe where half of the unemployment in Greece and Spain affects the young aged between 15 and 25 years.

"Out of the 90,000 students graduating annually, may be 20,000 have problems securing jobs, but we now have a Malaysia Training Scheme (SLIM) in place to address this issue, which provides them the flexibility to adjust in the job market."

The training scheme was introduced last year to help raise the quality and marketability of local graduates who have been unemployed for at least six months after graduation.

On the external uncertainties, Nor Mohamed said while the situation in Greece indicated that the problems had been resolved, several other countries in Europe are also showing negative growth.

The biggest economy, the US, is still weak and anaemic in creating the level of employment to power the economy.

Malaysia, with its 180 per cent trade-to-GDP (gross domestic product) dependence, is also affected through its trade channels, but the economy has the flexibility to turn to domestic growth engine.

"We can also step up activities within the Economic Transformation Programme (ETP) and Entry Point Projects," he added.

The report contains comprehensive information on the growth, structure and economic profile - which will be used by the government as input for policy formulation in the Tenth Malaysia Plan and ETP.