

Government Will Not Let Up In Stimulating Economy
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KUALA LUMPUR, Dec 28 (Bernama) -- The government will not let up on its spending to stimulate the domestic economy for the benefit of all businessmen irrespective of race, says MCA president Datuk Seri Dr Chua Soi Lek.

He said to cushion the impact of the global economic downturn, the government needed to boost domestic income and consumption as this would help sustain the economy despite a downturn in exports and manufacturing.

"It is the rising tide that lifts the boat because if the Malaysian economy is not doing well, everybody is affected, not just the Chinese.

"If the general economic condition is good, everybody stands to benefit and that includes the Chinese," he said in an interview with Bernama.

Saying the government would continue to play the role of a facilitator, he emphasised that the Economic Transformation Programme (ETP) was aimed at increasing the disposable income of Malaysians.

"If there is no ETP, our economy would be like other economies that are affected by the global economic slowdown," Dr Chua said.

The ETP contains measures that will transform Malaysia into a high-income nation by 2020.

Propelling the nation to the level of other high income nations, it will lift Malaysia's Gross National Income (GNI) per capita from US\$6,700 or RM23,700 in 2009 to more than US\$15,000 or RM48,000 in 2020.

The ETP would require the public and private sectors to work in partnership to carry out the 131 Entry Point Projects (EPPs) spanning 12 National Key Economic Areas (NKEAs).

Funding, said Dr Chua, was also another issue, as most banks are conservative and they want adequate collateral.

"It is especially so when there is economic uncertainty, people are more cautious," he said.

In this respect, the MCA President said the SME Assistance Guarantee Scheme made available by SME Bank, Agrobank, Bank Rakyat and EXIM Bank provided the finance and capital guarantee needed by small-and-medium businesses which faced constraints in accessing financing due to difficult economic times.

"It's a challenge to move from a small-and-medium industry to a conglomerate or climb up the ladder of value-added chain.

"You need the capital, expertise and experience as well as the technical know-how," he said, adding that Chinese businessmen were still successful and able to penetrate certain sectors of the economy.

In terms of doing business in Malaysia, he said, the country had shown a lot of success and

improvement in major sectors of the economy.

"The construction and tourism sectors are doing well registering robust growth. The construction sector has registered double-digit growth this year," he said.

The tourism industry, Dr Chua said, has helped sustain the economy.

"Today we are the ninth most visited country in the world, with earnings of about RM1 billion a week from tourist receipts.

"And, we cannot deny that the ease of doing business has also improved tremendously and this comes from international rating agencies," Dr Chua said.

According to the World Bank's Doing Business Report 2013, Malaysia is the 12th most competitive economy in the world for doing business.

This is a significant improvement from the 23rd position held in 2010.

"Above all these, is the attraction from foreign direct investment which is needed to boost the economy.

"However, there is still some improvement that can be made in certain areas.

"In this respect, there is a lot of dissatisfaction with foreign workers employment policy because there seems to be changes all the time.

"The application process for foreign workers needs to be simplified," Dr Chua said, adding that the policy needed to be transparent so that the people would know what they are dealing with.

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