

**Transformation a must for Bumiputera contractors to succeed, says Najib**  
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Prime Minister Datuk Seri Najib Razak said Bumiputera contractors must get out of their comfort zone and transform themselves in keeping with current challenges.

He said the transformation effort must be based on four strategies, the first of which was to increase their knowledge through quality of human resource and strengthen the development of abilities of small and medium-scale enterprises as well as Bumiputera contractors.

The second strategy, he said, was that Bumiputera contractors must increase productivity through increased usage of technology and modern construction methods, and not depend so much on foreign labour.

"(Third) we must see how we can apply modern technology, encourage sustainable practices and (fourth) increase global practices so that this sector can provide returns for our exports," he said at a dinner hosted by the Malaysian Malay Contractors Association in Kuala Lumpur tonight.

Najib said the success of Bumiputera contractors overseas, such as in Abu Dhabi and Qatar, also proved that there was no reason why Bumiputera contractors cannot break into the international market if they structured their companies' strategies well, strengthened networking and seized business opportunities whether locally or overseas.

"We can also succeed like other Bumiputera companies which get part of their revenue from overseas," he said.

Najib said through these strategies, the government expected that during the 11th Malaysia Plan, the construction sector would expand by 10.3% a year.

He said the sector was expected to contribute RM327 billion or 5.5% to the gross domestic product (GDP) by 2020.

He said during the period from 2011 to 2014, more than 29,000 construction projects worth RM470 billion were approved.

Out of that, only RM83 billion or 18% were by the government while the remaining RM387 billion or 82% were projects by the private sector.

The prime minister said these statistics showed that for Bumiputera contractors to expand their businesses, it was critical for them to obtain contracts from the private sector.

"To get business from the private sectors requires a higher level of competitiveness as

well as more technology and expertise.

"I believe Bumiputera contractors can compete in the open market. In fact, if Bumiputera companies consolidate to set up even larger construction companies, I am convinced Bumiputera companies can attain greater success," he said.

He said in the effort to empower Bumiputera contractors, the government now had the "Carve-Out and Compete" programme policy where an estimated 45% of mega projects have been allocated to Bumiputera contractors. – Bernama, November 7, 2015.

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