

Get private sector funding, states told

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PUTRAJAYA: State governments have been told to increase productivity in all areas with more private sector engagement and less dependence on government funding.

This was the prime minister's message to all menteri besar and chief ministers at their 104th meeting yesterday.

Datuk Seri Abdullah Ahmad Badawi, who chaired the meeting, told state heads that Malaysia's key to competitiveness was no longer capital and cheap labour.

The government had dished out numerous projects and it was up to the states to enlist the private sector to step up development.

Negeri Sembilan Menteri Besar Datuk Seri Mohamad Hasan, relating Abdullah's message, said that the meeting took stock of Malaysia's position vis-a-vis other countries in the region.

"Our competitiveness level has dropped compared to our neighbours like Thailand and Singapore. We can no longer depend so much on capital or government expenditure, nor on cheap labour in order to push our growth.

"We have now come to the stage where productivity has to be increased, and we need the private sector's involvement.

"The government has injected so much and completed many projects. But it cannot keep on pump-priming the economy without participation from the private sector," Mohamad said after the two-hour meeting.



Prime Minister Datuk Seri Abdullah Ahmad Badawi (right), Deputy Prime Minister Datuk Seri Najib Razak (centre) and Works Minister Datuk Seri S. Samy Vellu at the 104th meeting of menteri besar and chief ministers in Putrajaya yesterday. — Bernama picture

Energy, Water and Communications Minister Datuk Seri Dr Lim Keng Yaik also said that Abdullah's main concern for all states

was to increase productivity.

Several other ministers attended the meeting, as well as top officials from the Treasury and other

ministries.

Abdullah also updated all menteri besar and chief ministers on decisions made by the cabinet.