

DATE: 2 / 12 / 2008

PM: Economic growth in hands of all Malaysians

NSP- 2/12/2008

■ **By Farrah Naz Karim**
farrah@nst.com.my

PUTRAJAYA: Maintaining economic growth is the responsibility of all, Datuk Seri Abdullah Ahmad Badawi said yesterday.

The prime minister said the government projected that the economy would grow by at least 3.5 per cent in the fourth quarter, to register a figure of 5.5 per cent for the year as a whole.

"We want domestic consumption to increase and the country's economic growth to accelerate. It is all up to us to achieve it."

The growth rate for the third quarter was 4.7 per cent.

Abdullah said at a time of global economic uncertainty following the American financial crisis, Malaysia's economy had recorded positive growth, especially in the past month.

"Things are looking better for us and efforts to enhance our capabilities have shown results.

"We are now more competitive and our appeal to foreign investors has also improved.

"These are telling signs that our struggle to enhance our abilities and the delivery system has borne fruit," he said in an address at the Prime Minister's Department monthly gathering.

Also present was Deputy Prime Minister Datuk Seri Najib Razak.

At last month's assembly, Abdullah had said the people should have confidence in the country's administration and not fear the worst.

He said the economy would be able to cushion the impact of the crisis as the banking system was solid enough to keep lending to sustain economic development. The country's savings rate and foreign exchange reserves were also high.

A day later, Najib, who is also finance minister, announced a RM7 billion stimulus package to pump-prime the economy.

Abdullah, in cautioning civil ser-

vants against resting on their laurels, called on them to keep pushing to increase the efficiency of the public sector.

He said bureaucrats must ensure that all projects of benefit to the people were effectively implemented. They must also speed up their review of the value of contracts, owing to the rising prices of materials.

Delays, he said, would make it difficult for contractors to stay afloat and complete the projects.

Abdullah also told off government officers who had been known to threaten contractors making complaints.

"What good can come from these delays and why should they threaten those who complain?"

"They should know the consequences of this attitude."

In **Kuala Lumpur** later, Najib said the country was still on track to reach the 3.5 per cent growth rate projected for next year.

The projected growth rate was

achievable provided the stimulus package was fully utilised and the external environment did not worsen, he said after a meeting of the Economic Council at Parliament House.

In his opening remarks at the meeting, Abdullah said the adverse global developments had affected the economy, reducing exports and depressing prices.

He said the third quarter growth of 4.7 per cent was lower than the 6.7 per cent recorded in the second quarter.

The manufacturing sector registered a marked slowdown to 1.8 per cent growth from 5.6 per cent in the previous quarter.

Despite the challenging environment, the prime minister called on Malaysians to strengthen domestic competitiveness and uncover new opportunities.

"There is an urgent need for us to attract investments and to do this, we need to ensure the safety and security of the investments."