

**SPEECH BY  
Y.A.B. DATO' SERI ABDULLAH BIN HAJI BADAWI  
AT THE OPENING CEREMONY OF THE 58<sup>TH</sup> ANNUAL GENERAL MEETING OF  
ACCCIM AT SHANGRI-LA HOTEL KUALA LUMPUR  
4TH JUNE 2004**

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Y.BHG. TAN SRI WILLIAM CHENG, PRESIDENT OF ACCCIM

DISTINGUISHED DELEGATES

LADIES AND GENTLEMEN

1. LET ME BEGIN BY THANKING THE ASSOCIATED CHINESE CHAMBERS OF COMMERCE AND INDUSTRY MALAYSIA (ACCCIM), FOR INVITING ME TO OPEN ITS 58TH ANNUAL GENERAL MEETING TODAY. THIS IS MY FIRST OPPORTUNITY TO ADDRESS SUCH A DISTINGUISHED AUDIENCE SINCE THE BARISAN NASIONAL'S VICTORY IN THE RECENT GENERAL ELECTIONS. I WOULD THEREFORE LIKE TO TAKE THIS OPPORTUNITY TO RECORD MY APPRECIATION TO THE MEMBERS OF THE CHINESE BUSINESS COMMUNITY WHO HAVE GIVEN THEIR CONTINUED SUPPORT TO THE BARISAN NASIONAL AND THE GOVERNMENT. THANK YOU VERY MUCH. IT IS ONLY WITH SUCH A PARTNERSHIP THAT WE WILL BE ABLE TO DEVELOP A STABLE AND PROSPEROUS MALAYSIA.

2. AFTER ALL, MUCH OF OUR SUCCESS TO DATE IS DUE TO THE CONCEPT OF MALAYSIA, INC. THE GOVERNMENT WILL CONTINUE TO SUPPORT THE PRIVATE SECTOR BY HONOURING ITS PLEDGE TO CREATE A CONDUCIVE ENVIRONMENT FOR BUSINESS OPERATIONS AND ALSO IN ATTRACTING INVESTMENTS. WE REALISE THAT IN ORDER TO BE AN EFFECTIVE BUSINESS ENABLER, WE MUST CONTINUE TO IMPROVE PUBLIC SECTOR DELIVERY SYSTEMS WHERE WE CAN AND, IN THE PROCESS, LOWER THE COSTS FOR DOING BUSINESS.

3. OF COURSE, THE TASK OF ENSURING MALAYSIA'S CONTINUED GROWTH IS A HERCULEAN EFFORT AND SHOULD NOT BE SHOULDERED SOLELY BY THE GOVERNMENT. OF EQUAL IMPORTANCE IS THE COMMITMENT AND PARTICIPATION OF THE PRIVATE SECTOR. MANAGING THE GROWTH PATH THAT WE HAVE CHARTERED FOR OURSELVES REQUIRES CERTAINLY HARD WORK. BOTH THE PUBLIC SECTOR AND THE PRIVATE SECTOR NEED TO HAVE THE DETERMINATION TO MAKE THE NECESSARY ADJUSTMENTS TO OUR MINDSET. LET US ASSUME A CULTURE OF HIGH PERFORMANCE. LET US STRIVE TO ACHIEVE EXCELLENCE IN EVERYTHING THAT WE UNDERTAKE.

4. MY ADMINISTRATION AND I HAVE BEEN STRESSING THESE THEMES FOR SOME MONTHS AND WHILE IT IS PERHAPS TOO EARLY TO EVALUATE OUR EARLY EFFORTS, I AM VERY PLEASED TO NOTE THAT OUR ECONOMY HAS CONTINUED TO PERFORM WELL DESPITE AN INCREASINGLY CHALLENGING GLOBAL ENVIRONMENT. WE RECORDED A GROWTH OF 7.6 PER CENT OF REAL GDP IN THE FIRST QUARTER

OF THIS YEAR. WHAT IS MORE PLEASING IS THE FACT THAT MUCH OF THIS GROWTH IS DERIVED FROM DOMESTIC CONSUMPTION AND PRIVATE INVESTMENT.

5. I BELIEVE THAT THIS IS A SIGNIFICANT SIGNAL THAT SHOWS THE PRIVATE SECTOR HAS REGAINED SOME OF THE VITALITY OF OLD. THROUGH THE DARK TIMES OF THE FINANCIAL CRISIS AND THE UNCERTAIN PERIOD THAT FOLLOWED, THE GOVERNMENT BECAME THE ENGINE OF ECONOMIC RECOVERY. HOWEVER, THE CRISIS IS NOW OVER AND THE STATE OF OUR ECONOMY IS HEALTHY ONCE AGAIN. AFTER SIX YEARS OF RELYING ON GOVERNMENT EXPENDITURE TO STIMULATE ECONOMIC ACTIVITY, IT IS TIMELY FOR PRIVATE ENTERPRISE TO REASSUME ITS MANTLE AS THE ENGINE FOR OUR COUNTRY'S ECONOMIC GROWTH.

6. A LARGE DEFICIT WILL BENEFIT NO ONE IN THE LONG RUN. THIS IS WHY THE GOVERNMENT IS COMMITTED TO MAINTAINING STRONG FISCAL DISCIPLINE WITH A VIEW TO BALANCING THE BUDGET. OF COURSE, DEVELOPMENT SPENDING WILL STILL CONTINUE AND THE GOVERNMENT WILL STILL FINANCE PROJECTS THAT BRING ABOUT SOCIAL BENEFITS, BUT THE PRIVATE SECTOR NEEDS TO ENSURE THAT IT IS COMMITTED TO PRODUCTIVITY IMPROVEMENT AND ENHANCED GLOBAL COMPETITIVENESS.

7. AS BUSINESSMEN AND ENTREPRENEURS, YOU ARE CERTAINLY AWARE THAT MALAYSIA, LIKE MANY DEVELOPING ECONOMIES IN THE WORLD, IS FACING UNPRECEDENTED CHALLENGES. MARKETS ARE BECOMING INCREASINGLY BORDERLESS AND THE REAL COMPETITION DOES NOT COME FROM WITHIN OUR BORDERS BUT FROM BEYOND.

8. THIS MESSAGE HAS BEEN REPEATED TIME AND AGAIN, BUT THE TRUTH IS THAT MALAYSIAN COMPANIES NEED TO BE MORE INNOVATIVE, MORE COMPETITIVE AND CREATIVE IN ALL ASPECTS OF DOING BUSINESS. OUR COMPANIES NEED TO BE MORE RESPONSIVE TO MARKET TRENDS AND SEIZE THE INITIATIVE, INSTEAD OF WAITING TO BE DIRECTED. THESE QUALITIES ARE CERTAINLY NECESSARY IF OUR COMPANIES ARE TO SWIM RATHER THAN SINK. I AM KEEN ON SEEING MALAYSIAN COMPANIES EQUIP THEMSELVES TO BE SUCCESSFUL, DOMESTICALLY, REGIONALLY AND EVEN GLOBALLY.

LADIES AND GENTLEMEN:

9. OF EQUAL IMPORTANCE IS THE SMALL AND MEDIUM ENTERPRISES (SMES) SECTOR, WHICH HAS CONTRIBUTED SIGNIFICANTLY TO THE DOMESTIC ECONOMIC GROWTH AND GENERATING EMPLOYMENT OPPORTUNITIES. SMES NEED TO DEVELOP FASTER SO AS TO KEEP UP WITH THE RAPID PACE OF ADJUSTMENT AND ADAPTATION. SMES NEED TO FURTHER THEIR TECHNOLOGICAL CAPABILITIES, PRODUCT BRANDING AND MARKETING AS WELL AS MARKET ACCESS. THEY NEED TO HARNESS INFORMATION AND COMMUNICATION TECHNOLOGY BETTER TO BRING DOWN COSTS AND BROADEN THEIR REACH.

10. ADMITTEDLY, SMES FACE NUMEROUS HURDLES WHEN TRYING TO BUILD CAPACITY. UNLIKE LARGER COMPANIES THAT HAVE LARGE BUDGETS TO FUND IMPROVEMENTS AND TECHNOLOGICAL UPGRADES, MANY SMES ARE CONSTRAINED BY A LACK OF RESOURCES. ON ITS PART, THE GOVERNMENT WILL CONTINUE TO PROMOTE AND UPGRADE SMES THROUGH THE VARIOUS PROGRAMMES THAT IT HAS LAUNCHED. SIMULTANEOUSLY, I HOPE YOUR CHAMBER, AS WELL AS OTHER CHAMBERS OF COMMERCE, CAN ALSO PLAY A SIGNIFICANT ROLE IN BUILDING CAPACITY FOR SMES. PROGRAMMES THAT ARE TAILORED TOWARDS ENHANCING THE RESILIENCE OF MALAYSIAN SMES SHOULD BE ENCOURAGED. I HOPE THAT TOGETHER, THE GOVERNMENT AND ORGANISATIONS SUCH AS ACCCIM CAN WORK TOGETHER TO FOSTER ORGANIC GROWTH OF SMES, AND HOPEFULLY, BREED TRUE BLUE MALAYSIAN SUCCESS STORIES ON A BIGGER SCALE.

LADIES AND GENTLEMEN:

11. MALAYSIA OWES ITS SUCCESS TO RACIAL HARMONY AND INTERRACIAL COOPERATION IN THE FIELD OF POLITICS, ECONOMY AND THE WILLINGNESS TO SHARE THE FRUITS OF DEVELOPMENT. THE FUTURE WILL BE EVEN MORE PROMISING AND THE ECONOMY WILL BE EVEN MORE RESILIENT IF WE CAN CONTINUE TO BRIDGE THE DISPARITY AMONGST THE COMMUNITIES IN MALAYSIA. WE MUST CONTINUE TO PURSUE EQUITABLE GROWTH AND WE MUST CONTINUE TO ENABLE THE SHARING OF BENEFITS OF DEVELOPMENT AMONGST THE DIFFERENT COMMUNITIES AND REGIONS IN OUR COUNTRY.

12. IN THIS REGARD, I HOPE YOUR CHAMBER WILL CONTINUE TO CONTRIBUTE TO REALISE THIS NOBLE OBJECTIVE. WHILST REPRESENTING THE INTERESTS OF THE CHINESE BUSINESS COMMUNITY, YOUR CHAMBER CAN ALSO PLAY A MORE PROACTIVE ROLE IN PROMOTING INTERRACIAL COOPERATION AND ASSISTANCE WITH OTHER COMMUNITIES IN MALAYSIA. THE EFFECTIVE INTEGRATION OF ALL COMMUNITIES IS FUNDAMENTALLY IMPORTANT IN BUILDING A UNITED AND RESILIENT MALAYSIAN NATION.

13. ON THAT NOTE, I WOULD LIKE TO ONCE AGAIN THANK YOUR CHAMBER FOR INVITING ME TO YOUR AGM. I AM VERY HAPPY TO BE WITH YOU. I HAVE GREAT PLEASURE NOW TO DECLARE OPEN YOUR 58TH ANNUAL GENERAL MEETING.

THANK YOU

(Please take note that off-the-cuff remarks made by the Prime Minister are not included in this speech)