

SPEECH BY THE PRIME MINISTER AT THE
DINNER GIVEN IN HIS HONOUR BY THE
NATIONAL CHAMBER OF COMMERCE AT
LAKE CLUB, KUALA LUMPUR ON 15TH
NOVEMBER, 1972

Y.M. Tengku Razaleigh, Yang Dipertua Dewan Perniagaan Kebangsaan, Dif-dif Terhormat, Tuan-tuan sekalian.

Terlebih dulu sukaiah saya mengucapkan ribuan terima kasih di atas jemputan menghadiri majlis yang permai ini dan lebih-lebih pula sebagai tetamu kehormat pada malam ini.

Sebenarnya, sukaiah saya mengambil kesempatan ini mengucapkan setinggi-tinggi tahniah kepada ahli-ahli Dewan ini sempena genap dua tahun usianya sejak perubahan nama kepada Dewan Perniagaan Kebangsaan Malaysia. Saya mempunyai penuh harapan semuga di bawah pimpinan Yang Dipertua baru, yang muda dan cergas pula, Dewan ini akan melihat kemajuan-kemajuan cemerlang dan menggembirakan.

Gentlemen,

It is both an honour and pleasure for me to be with you again this evening. This occasion is all the more auspicious since it is only a few days apart from our Hari Raya festivities. This is more than a coincidence and I have a suspicion that your Chairman really meant it to be another Hari Raya Party.

I am happy to know that the National Chambers has made significant stride and progress. In particular, I note with pleasure your contribution and your role in forming the ASEAN Chamber of Commerce and Industry at the Jakarta Meeting earlier in the year. This is indeed a laudable effort and goes a long way to achieve the aspiration of ASEAN.

In view of this, I would like to assure you all that the Government will give its full support to the proposed Conference of ASEAN-CCI and I shall direct the relevant government departments and agencies to render fullest co-operation.

On this auspicious occasion too, I would like to take the opportunity to pay tribute to your past Chairman for his sincere and diligent efforts to promote the interests of the Chamber and thereby the Nation. Although on the last occasion, he was only an ordinary Mr Wood, I am sure you all will agree with me that Tan Sri Wood richly deserves the honour that the King has bestowed on him. This is both a personal honour to him as well as for your Organisation.

At the same time, I rejoice in the sure knowledge that your present Chairman, who is both young and active, will lead the Chamber into fulfilling its tasks with vigour and dedication for the good of the business community and the Nation. I wish him all success.

Ladies and Gentlemen,

Talking in general economic terms, this year, 1972, has not been very favourable to us. Like other developing countries, we are naturally very sensitive to difficulties in international monetary and trade relations and are particularly concerned that these problems should be resolved. Although we achieved satisfactory progress in economic development, our share in international trade has declined, and our access to the markets of advanced countries has not increased.

The dominant position of the industrially advanced countries in international trade and monetary relations cast a shadow on the position and interests of the developing and under-developed countries. This was particularly evident during the recent monetary crisis which brought about readjustments in the exchange rates of American dollar and the British pound. This episode affected us considerably as is the case with other primary producing countries. However, due to the prudence and foresight of our Minister of Finance,¹ we incurred only small losses in our monetary reserves which are more than offset by reductions in our debt liabilities, but we suffered somewhat greater losses in export earnings particularly of our primary products.

Fortunately for us, and especially for our smallholders, the price of rubber improved considerably during the past month, breaking the \$1 mark just before the Hari Raya. I earnestly hope

¹ Y.B. Tun Tan Siew Sin.

this trend will continue for a long time to come and thereby sustain the economy of the Nation which is still very much dependent on our major export commodities such as rubber and oil palm.

I am gratified to note that the monetary problems are being resolved and we can look forward to brighter years ahead. In point of fact, even before the US Presidential elections, all pointers seem to indicate better economic prospects for the world. However, I would like to express the hope that in formulating their fiscal and monetary policies, developed nations should consider the position of developing and underdeveloped countries.

As I have said elsewhere before, in our case we are not seeking aid but trade. In this context, I trust that our friends in the E.E.C. and also Japan and the United States, will not only be outward looking but will adopt a more liberal trade policy so as to enable the developing countries to enjoy a fair share of the international market.

Ladies and Gentlemen,

Despite the setbacks resulting from the monetary crisis, I am happy to say that we have achieved significant results in our national development. I need not elaborate on this since your Chairman has already spoken on the subject in his address. My visit to the United States last year has resulted in attracting several major electronic firms into the country, most of which are in the Bayan Lepas Free Trade Zone in Penang. A significant number has started operations is Sungai Way Industrial Estate and I understand another Free Trade Zone is being planned in Ulu Klang area. Some others are going to Kuantan, Melaka and other parts of the Country.

Indeed, the prospects seem even brighter, and to borrow the words of FIDA Chairman,² Malaysia is now poised for an export-oriented industries. The new wave of export industries have come because of the facilities we are able to offer and the existence of a healthy economic environment that can sustain export-industries. It is worthwhile noting that at the end of August, more than \$M700 will have been invested by 300 foreign corporations in Malaysia.

² Encik Jamil Jan.

As you all know, I have only recently returned from a visit to Europe which embraced Switzerland, Austria, Poland and the Soviet Union. For part of the trip, I was accompanied by your Chairman whose counsel and advice I very much appreciated. As a result of this visit, we can expect a greater tempo of participation by these countries in our economic activities. We are expecting an Economic Mission from Poland to arrive here in the middle of December. In my view, it is of great advantage to us to have greater participation by smaller developed nations in our economic programmes and it is equally in the interest of these Nations too.

Ladies and Gentlemen,

When I addressed you all last year, I mentioned the scope for true partnership between the public sector and private sector in commercial and industrial ventures in the interest of the Nation. I am now happy to see that the positions and functions of PERNAS and SEDCs are now properly understood and appreciated by the private sector as evident by the PERNAS-Sime Darby venture. I hope there will be many more of such ventures in due time not only with PERNAS and SEDCs but among the private sector itself which, I am sure, will be for the benefit of everyone.

Your Chairman earlier on mentioned the need to send more trade missions abroad in our effort to promote the sale of Malaysian manufactured products. I cannot agree with him more and I believe we must be more aggressive in our trade promotion efforts and in our industrialisation programmes.

However, while the Government will do all it can to expand our frontiers of friendship and economic co-operation, there is a limit to what we can do. I feel the industrialists themselves are in the best position to promote the sale of their goods. I, therefore, look to them to intensify their efforts in trade promotion and expand markets of our manufactured products as an essential part of our economic development efforts. As we develop, as we clear more jungle land to plant crops, and as we industrialize, we produce more goods which need markets.

Therefore, the sale and marketing of our goods form an essential and vital part of our economic efforts to achieve our National objectives.

Ladies and Gentlemen,

Looking at the overall picture, I am satisfied with the progress of the Second Malaysia Plan up to now in so far as its physical aspects i.e. the vital economic infrastructure. However, there is still much to be expected in the industries to the depressed and less developed areas of the country.

I have often stressed the necessity of diversifying our agro-based industry and making the fullest use of other agricultural and marine products. It is for this purpose that FIMA was established and I would like to see new entrepreneurs among members present tonight not to hesitate to seek possible avenues for joint venture efforts in establishing industries in the East Coast states.

I am throwing open this challenge in the hope and belief that you will readily respond to it and thereby participate in the national economic development. No one will lead us to the promised land but ourselves and therefore everyone of us should be fully committed to this noble endeavour to achieve the objective of the New Economic Policy and build a strong, prosperous and united Malaysian society.

Ladies and Gentlemen,

This year, 1972 can be regarded as a momentous year in the history of mankind. We have seen the relaxation of tensions among the super-powers with the detente' between the United States and the Soviet Union and the United States and China, and also recently with the agreement to establish diplomatic relations between the People's Republic of China and Japan.

Now, as we approach the end of the year, we can expect further relaxation of international tension with the impending peace in Vietnam. At long last, the dark clouds which have been looming across the horizon of Indo China for more than two decades are beginning to clear away and the people there who have long suffered the agonies of the war will be able once again to live in peace and security.

It is our hope and prayer that all these developments will not only bring peace and stability to the world but will enable mankind to devote their energy, resources and technological advancement towards bringing about progress and happiness instead of misery and destruction.

Tuan-tuan dan Puan-puan,

Saya berasa gembira kerana dapat bersama-sama tuan-tuan dan puan-puan pada majlis malam ini dan sekali lagi saya mengucapkan terima kasih atas jemputan ini dan mendoakan semoga Dewan Kebangsaan ini terus maju jaya.