

**SPEECH BY THE PRIME MINISTER AT THE
NATIONAL CHAMBER OF COMMERCE DINNER
AT HOTEL MERLIN, KUALA LUMPUR ON
14TH JANUARI, 1972**

Tuan Pengerusi, Dewan Perniagaan Kebangsaan Malaysia,¹ Difidif yang terhormat, Tuan-tuan sekalian.

Terlebih dahulu, saya ingin menyatakan tahniah kepada Mr. Wood atas keyakinan beliau menggunakan Bahasa Kebangsaan kita sewaktu memulakan ucapannya tadi. Bagaimanapun, saya tidak fikir beliau itu termasuk dalam golongan orang tua dan saya percaya tuan-tuan semua setuju sebelum habis tempoh setahun memimpin Dewan Kebangsaan ini, beliau dapat menguasai Bahasa Malaysia dengan sempurna.

Gentlemen,

It is indeed an honour for me to be here with you this evening on the occasion of your Annual Dinner. The new name of your organisation, the National Chambers of Commerce, I think, is appropriate and logical especially at the present juncture when we are deeply concerned with the need to establish a national identity.

I would like to take this opportunity to congratulate you, Mr. Chairman, on your being elevated to the high office in accordance with the unique system of succession by rotation among the four Chambers. I am confident that under your leadership, and with the reliable pillar of support in the person of your Deputy, this national body will achieve further successes in its endeavours.

I would like also to join you in your tribute to the immediate past Chairman, Y.B. Datuk S. O. K. Ubaidullah, during whose time the then United Chambers of Commerce made history in establishing the first trade links with the Peoples' Republic of China. The visit to Peking by our unofficial Trade Mission and the return visit by the Chinese Mission paved the way for greater bilateral trade between our two countries.

¹ Encik Han Leong.

Mr Chairman, Gentlemen,

We are already in the second week of the New Year. To us in the Government—and I believe this applies equally to the private sector—this is the crucial period to review the past year's performance and at the same time plan the strategies for the future. Last week, our Finance Minister, Tun Tan, announced the year's budget and its implications. Parliament is at present debating the budget and I am sure you have been following the proceedings very closely.

During the coming months, our main pre-occupation will of course be the New Economic Policy and its implementation. The first year has seen satisfactory progress inspite of the unfortunate experience of two major floods which affected almost the whole country. In view of the unavoidable setback, it seems imperative that we should redouble our efforts and set higher targets for the year.

It is in this respect, Mr Chairman, that I highly value your assurance of support and co-operation. I am confident that with the collective effort of the National Chambers as well as the individual member organisation, the Government can look forward to another year of achievement.

Mr Chairman, Gentlemen,

I am however conscious of a certain sense of apprehension—and perhaps misgiving—among the private sector of the increasing involvement by the public sector in economic ventures. I can very well appreciate this immediate and almost instinctive reaction by the business community to apparent encroachments by the State into areas traditionally reserved for private enterprise.

The truth is that there is no competition between private and public economic efforts. Rather, the efforts on the part of the Government are designed to complement the initiative and efforts of the private sector.

As you have rightly said just now, Mr Chairman, there is scope for true partnership between the two sectors in the interest of our nation. The central objective of our New Economic Policy is to reduce the economic imbalance in our society within the

context of economic growth. We can only achieve this by enlarging the economic cake so as to enable the have-nots to enjoy a share of it without depriving the others of their legitimate right.

As with everything else, time is the essence of this objective. But time is not on our side. It is on account of this urgent need that Government has to take the initiative on projects which are not attractive to the private sector. This is manifestly true in regard to bringing industries to the rural areas where the pressure for employment is felt greatest.

The Government accepts the fact that private enterprise is not exactly motivated by altruistic principles. We also accept the fact that the risks undertaken by any business venture must be measured against discernible opportunities of profit. It is inevitable that Government should go alone into those areas of economic activity and by developing these areas minimise the risks to the private sector in joint venture programmes.

Briefly therefore, the position is that public investment is intended to stimulate economic activity specifically in industrialising the rural areas in order that the objectives of the New Economic Policy will eventually be achieved. The development of the vast areas of Pahang Tenggara and Johore Tenggara is motivated by this worthy objective. I am confident, however, that our entrepreneurs will be able to take part in the development side by side or in joint-venture with the public sector.

Mr Chairman, Gentlemen,

In the meanwhile, it has been found expedient—even though to a limited extent—for the Government or State enterprises to join in the more profitable commercial ventures. This is intended largely as short-term measure to gradually correct the economic imbalances to which I have referred. The role of PERNAS and State Corporations must be understood strictly in this context.

I would go so far as to say that as the capital structure and employment opportunities of our commercial world become more equitably distributed, it is the intention that Government should phase out their role and involvement in business activities as these should preferably be left in private hands. I myself would

like to see a minimum of direct Government involvement in commerce, industry or trade once our primary objective is achieved.

Today and for several years ahead the Government would have to meet the ever expanding demand on our funds for public activities and services. The existing economic infrastructures must be improved and modernised in anticipation of the future. I am sure you are well acquainted with the various projects already on the drawing board for major road improvements, new harbours and airfields. The Urban Development Authority is working on the blue-prints for the renewal of Kuala Lumpur in keeping with its city status and the proud capital of the Nation.

We in the Government would deeply appreciate proposals and suggestions as to how best the objectives of the Second Malaysia Plan could be achieved with increased private sector participation. On our part, we would wish to concentrate more on the provision of public utilities and services relying on the private sector to concentrate their efforts in industry and commerce.

This essentially is our basic approach. Any limited variation upon this is only dictated by the exigencies of our times and the general response we receive from the business community.

Tuan Pengerusi,

Saya sekali lagi mengucapkan setinggi-tinggi terimakasih atas jemputan tuan-tuan malam ini. Saya berharap Dewan Perniagaan Kebangsaan Malaysia akan memainkan peranan yang lebih besar di masa hadapan dan akan mencatatkan kejayaan-kejayaan gemilang demi kepentingan negara Malaysia kita ini.

Tuan-tuan sekalian yang budiman,

Berbanyak terima kasih di atas jamuan:

Kami sekalian berdoa kepada Tuhan,

National Chambers terus maju berkekalan.