

Speech at The Edge Billion Ringgit Club (BRC) Awards and Gala Dinner 2019

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HOTEL

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INTRODUCTION

1. First of all, I would like to thank Datuk Tong and The Edge for inviting me to this evening's gala dinner to recognise and celebrate the best performing companies on Bursa Malaysia.

2. I understand that the Edge Billion Ringgit Club is made up of the elites of Corporate Malaysia and only companies with a market value of at least RM1.0 billion are eligible to be considered for the awards to be given out tonight.

3. I am told that this year, 168 out of the 900 companies listed on Bursa Malaysia made the cut. Although they make up only 18% of the total

number of Bursa companies, their combined value of RM1.5 trillion comes up to 90% of the entire market value of Bursa companies.

4. I am also happy to note that all the Billion Ringgit Club (BRC) members paid RM26 billion in taxes to the Government in 2018 from the RM101 billion profit you made.

5. The equation is simple – the more money you make, the more the increase in Government funds and the more development fund will be available. Profit and prosperity is then shared.

THE GOVERNMENT AND THE PRIVATE SECTOR

6. The Government has many limitations today mainly due to the debts inherited from the previous Government. All of you own and run companies so you will know what I am talking about when I say the debt burden weighs very heavily on the Government and limits our ability to invest and spend more.

7. Herein lies the role of the private sector. In fact, it is hope that you will step up and invest more. The private sector is best placed to know what works and what does not.

8. The Government is prepared to review policies and regulations, make changes and introduce new ones if the private sector can convince us that they will lead to more investments and economic activities and create new and better paying jobs especially for young Malaysians.

9. Big companies have the capacity to invest, to take risk and to connect with the global supply chain. And the success of each creates a multiplier effect, a ripple effect through the rest of the supply chain, creating opportunities for other smaller companies.

10. Such opportunities will encourage innovations and further improvements, creating not just jobs but also profits to be re-invested.

SHARED PROSPERITY

11. I would also like to take the opportunity to elaborate a little on the Shared Prosperity vision of the Pakatan Harapan Government

12. Some are mistaken that the concept of “shared prosperity” somehow contradicts the premise of profit or economic maximisation. Some say it sounds like socialism and that it will result in less efficiency, or less economic competitiveness for Malaysia. It is none of that.

13. It is to ensure that Malaysia continues its path of sustainable development based on the equitable growth of each value chain, class, community and geography. The growth will not be lopsided. It will create a sense of harmony and stability among the people by 2030.

14. Really efficient and successful companies are what they are because they are able to give more to both workers and owners. Why? It is only when all stakeholders are aligned that mutual interests will be achieved and seen.

15. In the same manner, if we help to better the lives of all Malaysians, instead of allowing wider and wider wealth disparities between the haves and have-nots, then all Malaysians would be willing to work towards making Malaysia a greater and better country.

FIGHTING CORRUPTION – THE SCOURGE OF A NATION

16. We are also committed in the fight against corruption. Corruption increases the cost of business and is detrimental to consumers and employees because the cost will be passed on to them eventually.

17. When corruption is reduced, companies will make more money, which in turn will improve the compensation to employees, shareholders, and the public as well.

18. I appeal to Corporate Malaysia to help the Government fight the scourge of corruption, both in the public and private sectors. It is good for our well-being and the well-being of our children and their children.

19. Companies which provide information on corruption will be protected. They will not be discriminated against by Government agencies.

MOVING FORWARD

20. I know there are criticisms and unhappiness that after 16 months we have not delivered everything we promised in our manifesto. We have

delivered many of what was promised, some completely and some partially. There are of course others that will need time to implement.

21. The situation a new government faces is no different from what a new management of a failing or failed company faces – once you come in you will find that the actual condition of the business is worse than what you thought or were told, with hidden liabilities and losses and other issues.

22. That is when you realise that it will take you longer to turn things around.

23. I believe the business community will show more understanding and do its part to complement and support what the Pakatan Harapan Government is doing to resolve these problems.

24. Please don't be easily distracted by all the political noises you read and hear every day. It is to a certain extent part of a robust and vibrant democracy. Fake news are a reality as now the social media is available to everyone directly without the intervention of editors and the like. We must not allow it to derail us from what we need to do and that is to grow the economy through greater economic activities.

25. Let us – the private sector and the Government – work hand in hand to turn things around for the country for the benefit of the rakyat.

Thank You.

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