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EVENT: NEW YEAR MESSAGE

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Praise be to Allah The Almighty for with His Blessings, we are able once again to celebrate the New Year in peace and harmony. In a world where war, conflict and famine continue to persist, the peace and stability that we enjoy are indeed a great blessing which we should value. While economies the world over have deteriorated, we on the other hand continue to prosper and flourish. Hence, we ought to be grateful with our performance and the situation we experience in the whole of 1992 which was willed by God, and by virtue of our multi racial people's moderation and relentless efforts.

2. The country's stability is the result of the close cooperation among all the races who have always worked with great determination to ensure that harmony and unity among the races are safeguarded. The key to the unity that we are so proud of is the spirit of tolerance and the mutual respect we have for one another. With such unity and close cooperation among the races, we have successfully created a nation which is stable politically, economically and socially. It is this stability that has enabled us to successfully attract foreign investments, one of the factors which have contributed toward our high economic growth.

3. For the past five consecutive years, Malaysia has achieved a tremendous rate of economic growth. This high growth rate has enabled the country to continue to provide various facilities for the comfort of the people. The people now have a higher standard of living. Malaysians not only have access to the basic necessities but also enjoy other facilities that are only found in developed countries. Higher incomes have invariably increased the purchasing power of Malaysians. In addition we have health and education facilities which are the best among developing countries. These are among the benefits we enjoy as a result of a high economic growth.

4. If in the past many people predicted that Malaysia with its multi racial population and with its need to distribute wealth among the races, will face a downturn and instability, today it is clear that all these predictions are inaccurate. On the contrary, the country has proven that our social engineering process of restructuring society not only does not jeopardise economic growth but has also enable a high

growth achieved during peace and stability. This success has made many countries to regard Malaysia as an example of development in a democratic and pluralistic society.

5. While we can be proud of our economic achievements, we should also be cautious because we may not be able to sustain this high economic growth. After five consecutive years of rapid growth the country's economy is expected to undergo a process of consolidation. Although there are early signs indicating that a recovery is in the making, especially in Japan and the U.S.A., most economies of the industrialised countries are still ailing. The latest developments in the GATT negotiations, the EC, and NAFTA, while presenting new opportunities, are expected to pose an even greater challenge to Malaysia's economy. Hence, we anticipate that Malaysia's economy will grow by about 8 percent compared with 8.5 percent this year. Although this is an encouraging rate, we can no longer take for granted that the economic growth will always be high.

6. Thus, the government needs the cooperation of all to ensure that the country's economy is still capable of registering this required rate of growth. This is important as our development is dependent on a healthy and continuous economic expansion. The responsibility of ensuring that the country's economy continue to expand is not the sole responsibility of the government. It is also the task and responsibility of all Malaysians.

7. Malaysians can play their role by being thrifty and not be lavish in their spending in our efforts to curb inflation. They should also increase their savings so that it could be used for more productive investment. A strong local savings is a basis needed to ensure that investments in the country are increased. Hence, reduction of excessive consumption to curb inflation and encourage savings are imperative.

8. Likewise, the workers can contribute by increasing their productivity, efficiency and not make unreasonable demands for pay increases. Any wage increase must be commensurated with increases in productivity. Wage increases not accompanied by higher productivity will only result in Malaysian products being uncompetitive. When this happens, the losers are the workers themselves apart from the employers and the country.

9. Exporters for their part should be more aggressive in making the necessary adjustments by seizing whatever opportunities available resulting from the changes in the international economic and political scenario. They should also be bold enough to penetrate new markets and not to limit only to the traditional ones in the efforts to widen the markets for our goods. In this context, the government has initiated efforts to improve relations with countries in the South. It is now up to Malaysian companies to take these opportunities.

10. We have enough resources to be a developed country. Apart from our vast natural resources, we also have very capable human resources. But the resources alone are not sufficient. To be successful, we also need to change our attitude and to be more disciplined. Negative attitudes, which can impede our excellent performance, must be discarded. On the other hand, we must instill good values such as hardwork and integrity. We must also adhere strongly to discipline, for high discipline is among the important factors which can enable the country to develop and prosper.

11. I am confident that if all parties play their roles, carry out their responsibilities effectively and strive hard, our country will be able to face the challenges in 1993 and the years ahead. We have in the past years proven our ability to weather all kinds of challenges. There is no reason why we cannot overcome the challenges in 1993.

12. As I have reiterated, the nation's political stability is crucial to our development efforts. Without political stability, we will not be able to achieve a developed nation status which we envisioned. Hence, it is hoped that Malaysians will maintain the existing harmony and unity so that the country will continue to progress and prosper. We should learn from the experiences of several countries faced with racial conflicts. Such racial conflicts not only have made life more difficult for their citizens but prove impossible to contain once they occur. Thus, let strengthen our determination to maintain the unity and racial harmony that we now enjoy. In fact our multi-racial, multi-cultural and multi-religious country can be made a source of great strength to enable the country to greater heights of success.

13. Finally, I wish all Malaysians a Happy New Year and hope 1993 will bring greater success and prosperity to all of us.