

SECOND FIVE-YEAR PLAN 1961-1965

DI-CHETAK DI-JABATAN CHETAK KERAJAAN
OLEH THOR BENG CHONG, A.M.N., PENCHETAK KERAJAAN
KUALA LUMPUR
1965

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Mr Ravi Gulhati.

PREFACE

This Report sets out the proposals of the Government for the Second Five-Year Plan. It brings the development programmes of the Federal and State Governments, local authorities and public enterprises together to form a balanced and integrated plan of social and economic development over the next five years.

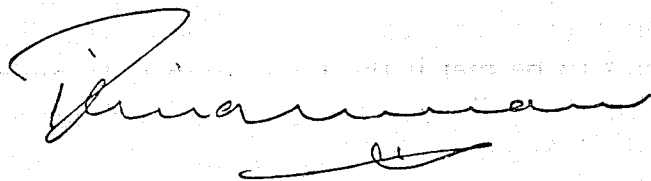
The Plan is divided into four Chapters. The first Chapter reviews the progress made under the First Plan thus enabling the ra'ayat to appreciate what achievements have been made during 1956-60 and in what respects, and for what reasons performance has fallen short of targets. Chapter II outlines the problems and economic objectives of the Federation, and these objectives are translated into output and employment targets which it is hoped would be realised during the Plan period. The high rate of population growth, the poverty and depressed condition of rural areas and the need for economic diversification are highlighted. These pose a great challenge which has to be met if the Federation is to maintain its economic progress. It is with the full acceptance of this challenge that the Government has prepared its Second Five-Year Plan for the period 1961-65 with a level of public investment double that of the First Plan. The scale of proposed capital expenditure, the distribution of capital outlays and the expected results obtaining in each field of public development are described briefly in Chapter III in which, it will be noted, the investment pattern clearly reflects the special emphasis and priority accorded to rural development. The methods of financing the required level of investment are discussed in Chapter IV.

The Second Five-Year Plan represents "a big push" in the Government's efforts to provide for the social and economic needs of the Nation. The proposed programmes will, in course of time transform the Federation and particularly the rural sector, into a more progressive economy providing the ra'ayat with a higher level of living and also lay the foundation for further and stable economic growth.

The targets envisaged in the Plan have been framed not in terms of ideal and ambitious goals but in terms of objective feasibility which is realistic in relation to the resources and capacity of the country. The Plan will, however, require a great and sustained effort in order to mobilise the necessary physical and financial resources so as to increase production, employment and living standards. Men from all walks of life serving in the

State and District Rural Development Committees have given generously of their time and experience in local planning. The enthusiasm and sense of mission which have gone into the preparation of the Second Five-Year Plan augurs well for its success. The Government is therefore confident that with the full co-operation and active participation of the people and with the strengthening of planning machinery and close co-ordination at all levels, the Plan targets can be realised.

In presenting this Plan for adoption by Dewan Ra'ayat and Dewan Negara, the Government wishes to acknowledge the valuable assistance it has received from many quarters—from the World Bank and its staff members especially Mr William M. Gilmartin and Mr Ravi Gulhati, who have assisted the Government and officials serving on the Central Working Committee in the preparation of the Plan; from Federal Ministers and from State and District Rural Development Committees who had undertaken to prepare their programmes for integration and co-ordination.



(TUNKU ABDUL RAHMAN PUTRA AL-HAJ),
Prime Minister

KUALA LUMPUR,
9th January, 1961

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