

10th Plan to be based on new economic model

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THE 10th Malaysia Plan (10MP) will be based on a new economic model to ensure that all efforts towards economic recovery in the country run smoothly.

Minister in the Prime Minister's Department, Tan Sri Nor Mohamed Yakcop said that although 10MP will take effect only in 2011, the government has started early planning on the five-year economic programme to ensure a sustainable development.

The Tasek Gelugor member of parliament said that among the areas of focus under the new model will be to create many more industries to generate higher income for the people and help them face future economic challenges as well.

Speaking to reporters following a meeting with the people from his parliamentary constituency, he said that besides aiming for high income, attention will also be paid to utilising lower production costs.

"The government has already started drafting the 10MP and has the Cabinet's approval so that it can be implemented earlier, and when the world economy makes a recovery, we will be at the right platform for recovery," he said.

Nor Mohamed said that among the sectors identified to drive the new economy are industries based on knowledge, skills and creativity including tourism.

However, the traditional industries like manufacturing will be continued with new impetus through knowledge-based industries so that they will be able to generate higher income.

"We see this current economic downturn as a 'blessing' to push the country towards a new economic direction capable of more progress and that all the stimulus packages given by the government so far have started to show results," he said.

Although there has been a contraction in economic



We want to ensure a sustainable development, says Nor Mohamed

growth, the plan to liberalise the 27 economic sectors including the financial sector has started to take effect, he said, adding that he was confident that the country's economy will start to recover in the second part of the year.

"The negative growth projection will not jeopardise the plans of 9MP as each programme has already been given the special allocation," he said.

Nor Mohamed said in order to make a success of a modern economy, the people, especially those retrenched, should take up the opportunity of training provided by the government.

Increasing the level of skills and knowledge of the new economy will be crucial for workers so that they can compete and generate higher income as well, he said.

"Although we know the response towards the retraining schemes and programmes for workers has not been good, the people must realise that new skills are required to face the challenges of the new economy.

"A crisis is not always a bad thing as it also gives us the opportunity and space to reassess the existing strategies to continue to progress in line with current changes," he said. — Bernama