

## **MALAYSIA**

## TENTH MALAYSIA PLAN 2011-2015

Speech by the Prime Minister in the Dewan Rakyat

# SPEECH BY THE PRIME MINISTER DATO' SRI MOHD. NAJIB BIN TUN ABDUL RAZAK INTRODUCING THE MOTION TO TABLE THE TENTH MALAYSIA PLAN ON 10 JUNE 2010 AT 11.30 AM

#### TOWARDS A HIGH INCOME AND ADVANCED NATION

Mr. Speaker, Sir,

I stand in this august House to table a motion as follows:

"That this House,

**acknowledges** the challenges of economic growth and socioeconomic progress during the implementation of the Ninth Malaysia Plan in the face of a challenging global environment;

**endorses** the efforts of the Government to continue to implement the national mission with the support of the New Economic Model as the framework for development to achieve the objectives of Vision 2020;

**approves** the Tenth Malaysia Plan, which will be implemented based on strategic thrusts, programmes and allocations which are needed to realise Vision 2020 and to advance the nation to high-income and developed nation status by 2020 as set out in Order Paper CMD.3 of 2010;

**That in** approving the Tenth Malaysia Plan, this august House calls upon all Malaysians to unite in the spirit of '1Malaysia: People First, Performance Now' and make a strong commitment to carry out the noble responsibility to make a success of the

transformation plan to become a high-income, developed, resilient and competitive nation, in the interest of the well-being of all Malaysians."

# TOWARDS ECONOMIC PROSPERITY AND SOCIAL JUSTICE

#### INTRODUCTION

Mr. Speaker, Sir,

3. Praise be to Allah SWT for by His grace and generosity, on this auspicious day, 10 June 2010 or 27 Jamadil Akhir 1431 Hijrah, I am able to table the Tenth Malaysia Plan (Tenth Malaysia Plan) for the period 2011-2015. This plan is critical for the continuation of the national agenda to realise Vision 2020 and become an advanced and high income nation.

Mr. Speaker, Sir,

- 4. Since independence more than five decades ago, as a nation characterised by diversity, Malaysia has achieved remarkable success after success. Many expected Malaysia to fail but we managed to prove that their doubts and cynicism were unfounded.
- 5. Malaysia can be proud because we have demonstrated that with the right leadership and environment, we have prevailed in the face of many challenges, overcome many barriers and achieved success. As a result, from a low income agrarian nation dependent on rubber and tin, Malaysia has emerged as a modern, industrial, high middle income nation with strong economic fundamentals.

- 6. All these achievements did not happen by chance nor without proper planning and diligent efforts, instead it was a result of visionary Government leadership, coupled with the rakyat's unwavering support since independence. In this respect, we are greatly indebted to the past leadership and previous generations, because their great efforts and sacrifices provided us with a strong foundation, from which we can build on. This developmental journey has spanned Two Malaya Plans, Nine Malaysia Plans, Three Outline Perspective Plans as well as a National Mission before coming to this juncture today.
- 7. At this point, on behalf of the Government and the people of Malaysia, I would like to record our sincerest appreciation and highest gratitude to our five former Prime Ministers, starting from Tunku Abdul Rahman Putra, Tun Abdul Razak Dato' Hussein, Tun Hussein Dato' Onn, Tun Mahathir Mohamad and Tun Abdullah Ahmad Badawi. They are all national heroes, whose contributions deserve to the highest accolades. For those who have left us, we pray that their souls be blessed and accorded the appropriate rewards by Allah Rabbul Jalil.

Mr. Speaker, Sir,

8. Undoubtedly, the nation's historical journey has endured crises and enjoyed triumphs. Our history offers valuable lessons, but we cannot allow experience to constrict our ambitions going forward. To succeed, we must be brave enough to think outside of the box. In this

regard, even though the Government should use history as a guide, we should not be confined by history from what we intend and plan to do.

- 9. For the Ninth Malaysia Plan period, the Malaysian economy is expected to have grown at a rate of 4.2 per cent per annum and gross national income per capita to reach 26,420 ringgit or 8,260 US dollars in 2010. In addition, this is being achieved in a low inflation environment while the unemployment rate is expected to remain at 3.6 per cent in 2010. The Federal Government fiscal deficit is expected to narrow to 5.3 per cent this year compared with 7 per cent of GDP in 2009.
- 10. The implementation of poverty eradication programmes successfully reduced the incidence of poverty to 3.8 per cent in 2009, compared with 5.7 per cent in 2005. The incidence of hardcore poverty also declined from 1.2 per cent in 2005 to 0.7 per cent in 2009.
- 11. To overcome the challenges of the global economic slowdown in 2008 and 2009, the Government implemented two economic stimulus packages amounting to 67 billion ringgit. With the grace of Allah, the economy has rebounded and recorded an impressive growth rate of 10.1 per cent for the first quarter of 2010. This is the fastest quarterly growth rate in a decade. God willing, in 2010, the Malaysian economy is expected to recover and record a 6 per cent growth rate.

Mr. Speaker, Sir,

- 12. Our journey towards Vision 2020 is full of challenges and uncertainties at the global level. The global economic landscape today has changed significantly and Malaysia can no longer depend on a low-cost structure to remain competitive internationally. Globalisation, liberalisation and the emergence of countries, such as China, India, Brazil, the Middle East and countries in the region have intensified the competition for trade and investment.
- 13. Apart from external factors, Malaysia faces various internal challenges to drive economic growth to a higher level, while having to implement a prudent fiscal policy. The nation is confronted with the challenge of providing a conducive investment environment as well as developing high quality human capital, which are critical to enable the shift to a higher level of value added and productivity.

Mr. Speaker, Sir,

#### THE TENTH MALAYSIA PLAN – THE WAY FORWARD

14. The Tenth Malaysia Plan has been formulated with various new approaches towards becoming a high income and high productivity economy, in line with the New Economic Model. During the Tenth Malaysia Plan, the gross national income per capita is targeted to increase to 38,850 ringgit, or 12,140 US dollars, in 2015. This requires achieving real GDP growth of 6 per cent per annum. Growth

will be led by the services and manufacturing sectors, in addition to revitalising the agriculture sector towards higher value added as well as the adoption of ICT, biotechnology and other relevant

technologies.

15. A key challenge of the Tenth Malaysia Plan is to stimulate private sector investments to grow at 12.8 per cent per annum or 115 billion ringgit per annum. At the same time, the Government is committed to reducing the fiscal deficit from 5.3 per cent of the GDP in 2010 to less than 3 per cent in 2015. In addition, the Government will ensure that the living standards as well as the quality of life of the

rakyat continues to improve, particularly for the bottom 40 per cent

household income group.

Mr. Speaker, Sir,

**Tenth Malaysia Plan – 10 Main Premises** 

16. Transforming the nation towards achieving Vision 2020 requires a holistic and focused approach. We can only succeed if we put our hearts and minds to it. This Plan is based on 10 big ideas, which

have been translated into 10 Main Premises as follows:

First: Internally driven, externally aware.

Second: Leveraging on our diversity internationally.

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Third: Transforming to a high-income nation through

specialisation.

Fourth: Unleashing productivity-led growth and innovation.

Fifth: Nurturing, attracting and retaining top talent.

Sixth: Ensuring equality of opportunities and

safeguarding the vulnerable.

Seventh: Concentrated growth and inclusive development.

Eighth: Supporting effective and smart partnerships.

Ninth: Valuing our environmental endowments.

Tenth: Government as a competitive corporation.

Mr. Speaker, Sir,

#### Tenth Malaysia Plan - Five Strategic Thrusts

17. To achieve the aspirations of the Tenth Malaysia Plan, five key strategic thrusts have been identified. These thrusts are holistic and comprehensive strategies to achieve the objectives and targets set in the Tenth Malaysia Plan. The five thrusts are as follows:

First: Designing Government philosophy and approach

to transform Malaysia using NKRA methodology;

Second: Creating a conducive environment for unleashing

economic growth;

Third: Moving towards inclusive socio-economic

development;

Fourth: Developing and retaining a first-world talent

base; and

Fifth: Building an environment that enhances quality of

life.

Mr. Speaker, Sir,

First Strategic Thrust: Designing Government Philosophy And Approach To Transform Malaysia Using NKRA Methodology

18. The transformation of the nation requires the transformation of the Government machinery to support changes in the economic landscape. To emerge as a competitive nation at the global level, the Government needs to increasingly act as a competitive corporation. In pursuing our aspiration to become an advanced and high income country, we can no longer resort to mere incremental measures but instead, the Government must implement transformational measures,

while at the same time, pursuing its social justice agenda. For these reasons, the Government will uphold 4 main pillars that is the four by four formula.

- Two of these components can be divided to 4 Main Pillars, 19. comprising Firstly: The 1Malaysia, People First, Performance Now philosophy; **Secondly:** The Government Transformation Programme or GTP; Thirdly: The Economic Transformation Programme or ETP which rests on the New Economic Model; and Fourthly: The fiveyear development plans which are the Tenth Malaysia Plan and Eleventh Malaysia Plan. These four main pillars are supported by 4 complementary values. Firstly: Acculturation of creativity and innovation; Secondly: Emphasis on speed of decision-making and execution; **Thirdly:** Value for money; and **Fourthly:** Integrity values. Using the analogy of a house, the roof would be the prime philosophy depicting 1Malaysia, People First, Performance Now, the walls would be the Government Transformation Programme (GTP) and Economic Transformation Programme (ETP), and the foundation that is being constructed can be likened to the Tenth Malaysia Plan and Eleventh Malaysia Plan. The staircase to the 1Malaysia home would be the social justice policies and a culture of high achievement.
- 20. Furthermore, the Government's transformation measures that are currently being undertaken began with the implementation of the six national key result areas or better known as NKRA. Through the NKRAs, the Government is determined to reduce crime, fight corruption, improve student outcomes, raise living standards of low

income households, improve rural basic infrastructure and urban public transport. The consultative approach with the public and private sectors as well as the non-government organisations (NGOs) has been adopted to ensure that the wants and needs of people are taken into account.

- 21. To date, many of the initiatives under the NKRAs have borne fruit. As an example, the overall crime index dropped by 15 per cent in the first quarter of 2010 compared to the target of 5 per cent in 2010. In the effort to fight corruption, the Whistleblower Act was approved by this august house in April 2010. Under the NKRA on urban public transport, measures to realign the routes linking main towns have increased ridership by 13 per cent. For the NKRA on education, about 18,000 children have benefited from 929 pre-school classes.
- 22. Continuous initiatives have been identified by PEMUDAH to enhance Government efficiency and procedures. These have resulted in marked improvements in many areas. For example, beginning 1 April 2010, the time taken to start a business was significantly reduced to 3 days from 11 days. Today, registration of land transfers can be completed in one day compared to 30 days previously. Effective 11 May 2010, there are 26 locations nationwide where Malaysian international passports can be issued within only one hour.

#### ST1.1 Shift of Focus to Non-Physical Infrastructure

- 23. Moving forward, the Government will focus on efforts to develop non-physical infrastructure, including human capital development such as skills development and strong innovation capabilities. Meanwhile, the Tenth Malaysia Plan allocation for non-physical infrastructure will be increased to 40 per cent, compared with 21.8 per cent in the Ninth Malaysia Plan. Focus will be given to skills development programmes, R&D activities and venture capital funding geared towards promoting a higher level of innovation in the country.
- 24. This approach is also in line with efforts to encourage the private sector to invest in physical infrastructure and provide services such as skills training. To support this objective, the Government will outsource the procurement of services from the private sector. This means that the private sector will compete to offer skills training services at competitive costs.

# ST1.2 Improving Efforts for Human Capital Development in the Public Sector

25. We take cognisance that the delivery of efficient and effective government services is closely linked to the quality of human resource. To ensure the best talents remain in the civil service, the framework for human resource management and career development will be improved. Opportunities for civil servants to increase their knowledge and field of expertise will be expanded. In this respect, a

world-class civil service college will be established to raise the competency of civil servants.

Mr. Speaker, Sir,

## Second Strategic Thrust: Creating a Conducive Environment for Unleashing Economic Growth

#### ST2.1 National Key Economic Areas (NKEAs)

- 26. The main approach in transforming to a high income economy will be to adopt strategies based on specialisation, given that strong and sustainable competitiveness is difficult to achieve without specialisation. This Plan will focus on 12 national key economic areas or NKEAs which have potential to generate high income. Apart from 11 sectors, Greater Kuala Lumpur has also been selected as an NKEA as it has the potential to become a world-class city that can be a driver of economic growth. Details of the NKEA will be announced this October. The following are the NKEAs:
  - (i) Oil and gas;
  - (ii) Palm oil and related products;
  - (iii) Financial services;
  - (iv) Wholesale and retail;
  - (v) Tourism;
  - (vi) Information and communications technology (ICT);
  - (vii) Education services;

- (viii) Electrical and electronic;
- (ix) Business services;
- (x) Private healthcare;
- (xi) Agriculture; and
- (xii) Greater Kuala Lumpur.

In this connection, a special unit, which is the Economic Transformation Unit will be established to plan and coordinate the implementation and development of the NKEAs.

- 27. In addition, the application of high technology will be emphasised in the development of NKEAs. Technology platforms such as biotechnology, nanotechnology and high-end engineering will further increase the impact of the NKEAs on economic growth.
- 28. For economic sectors which are not listed as NKEAs, such as green technology, automotive, aerospace and logistics, the development of these sectors will continue to be driven by relevant ministries, agencies and councils.

#### **ST2.2 Creating Private Sector-led Economy**

29. The achievement of the 6 per cent per annum growth target for the Tenth Malaysia Plan period requires a significant leap in investment activities led by a more dynamic private sector. To achieve this goal, the Malaysian Investment Development Authority or MIDA has been corporatised, rebranded and strengthened through

greater empowerment. In addition, business regulations which are outdated will be abolished. Towards this end, the Malaysian Productivity Corporation (MPC) will be restructured to spearhead a comprehensive review of business regulations and improve processes and procedures to increase productivity and competitiveness of major economic sectors.

- 30. Healthy competition is needed to make the economy more efficient and dynamic. For this, the Competition Law will be introduced to provide a regulatory framework against market manipulation and cartel practices that may affect market efficiency. A Competition Commission and Appeal Tribunal will be established to ensure more orderly and effective implementation of the law.
- 31. China, India and the Middle East are among the rapidly growing economies. Malaysia, which has historical and commercial links with these countries and is strategically located, must strengthen its relationship with these countries including East Asia. Therefore, Malaysia must focus on building the regional markets through trade promotions and trade agreements. In addition, we will continue to strengthen existing economic relations with Europe and the US.
- 32. I am confident that the measures that we will implement can make Malaysia one of the best countries to do business in, particularly in the Asian region. According to the World Bank Report, Malaysia is now ranked 23<sup>rd</sup> out of 183 countries for ease of doing

business. The Government believes that the country will be ranked among the top ten by 2015.

33. This is not impossible given that Malaysia has leaped to become the 10<sup>th</sup> most competitive country within a year based on the recent report of the Institute for Management Development. We can be proud that Malaysia is the only OIC and NAM country in this top ten list. However, the Government will not rest on its laurels and will continue to strive to be among the top five in the world in the future. InsyaAllah.

#### ST2.3 Public-Private Partnership

- 34. Smart and effective partnerships between the public and private sectors will be established to drive the economic transformation agenda. This new wave of public-private partnership (PPP) to ensure equitable sharing of risks and returns.
- 35. To date, 52 high-impact projects worth 63 billion ringgit have been identified for implementation. These include:

First: Seven highway projects at an estimated cost of 19 billion ringgit. Among the projects are the West Coast Expressway, Guthrie-Damansara Expressway, Sungai Juru Expressway and Paroi-Senawang-KLIA Expressway;

Second: Two coal electricity generation plants at an estimated cost of 10 billion ringgit; and

Third: Development of the Malaysian Rubber Board's land in Sungai Buloh, Selangor covering an area of 3,300 acres at an estimated cost of 10 billion ringgit.

36. The private sector will also have the opportunity to participate in the development of several projects led by government-linked companies (GLCs). These include projects such as the Kuala Lumpur Strategic Development by 1Malaysia Development Berhad (1MDB) covering the Sungai Besi Airport area, the KL International Financial District in Kuala Lumpur, construction of the liquefied natural gas regasification plant by PETRONAS in Melaka at an estimated cost of 3 billion ringgit as well as two aluminium smelters in SCORE Sarawak with an estimated cost of 18 billion ringgit.

37. To help the private sector finance these projects, a Facilitation Fund of 20 billion ringgit will be provided under the Tenth Malaysia Plan. This fund aims to help bridge the private sector viability gap with respect to projects that have a strategic impact and those with huge economic spill over. The fund is expected to attract private sector investments worth at least 200 billion ringgit during the Plan period. Projects that are being considered for financing under this fund include Land Reclamation in Westport in Port Klang, Malaysia Truly Asia Centre in Kuala Lumpur and Senai High Technology Park in Iskandar Malaysia, Johor.

#### ST2.4 Innovation-led Growth

- 38. As we all know, economic growth thus far has been driven by factors of production, mainly investment, energy and labour. The shift to high income will need growth that is based on productivity and led by innovation. For that purpose, the Government will establish a special unit under the Prime Minister's Department to set the direction and drive the National Innovation System and innovation policies and strategies.
- An important measure in the Tenth Malaysia Plan is improving 39. the method of financing for public venture capital companies. Currently, government financing for public venture capital companies, such as the Malaysian Technology Development Corporation and Malaysian Venture Capital, is provided through long-term loans. In this Plan, equity financing will be provided with the risk profile of venture capital investment. For this purpose, the Mudharabah Innovation Fund (MIF), with an allocation of 500 million ringgit, will be introduced to provide risk capital to government venture capital companies. To bridge the financing gap between the early stage of commercialisation and venture capital financing for high tech products, the Government will set up a Business Growth Fund with an initial allocation of 150 million ringgit. The aim of this fund is to support these companies until they can generate commercial value to attract venture capital financing and other forms of financing.

40. We realise many entrepreneurs have failed due to unexpected business risks. It will be a tragedy if a high calibre and credible entrepreneur who fails once, is not given a second chance to recover and become a successful entrepreneur. We are aware of many individuals, businesses and innovation initiatives that failed the first time, but became successful later. Hence, bankruptcy laws will be simplified to support a calculated risk- culture, eliminate the stigma of failure and allow high calibre and credible entrepreneurs who fail to become active again.

Mr. Speaker, Sir,

#### **ST2.5 Building World-Class Infrastructure**

- 41. The Tenth Malaysia Plan will continue to focus on the provision of infrastructure to support national growth, while ensuring that it benefits all segments of the *rakyat*. The implementation of the high-speed broadband project will cover major towns, priority economic growth areas and industrial areas. This will be complemented with the roll out of the Broadband for General Population which will provide coverage for sub-urban and rural areas. For the rural population, last mile broadband services will be provided through wireless infrastructure, offering a variety of affordable packages.
- 42. The development of a wider and efficient multimodal transport network is also needed to support national growth. Among the major projects that are currently being implemented is Phase 2 of the East

Coast Expressway from Kuantan to Kuala Terengganu, which will be completed in the Plan period at a cost of 3.7 billion ringgit. This expressway will also be linked to the Kuantan Port, which will be upgraded and will spur growth in the east coast. Road networks to the hinterlands will also be improved. Among them are the roads linking Kuala Lipis to Cameron Highlands and from Jerantut to Sungai Lembing. In addition, the electrified double track rail project from Gemas to Johor Bahru, which is estimated to cost 8 billion ringgit, will be implemented to complete the electrified double track rail project from Padang Besar in the north to Johor Bahru in the south. Apart from these, will be the construction of a sewerage treatment plant using green technology in Lembah Pantai, Kuala Lumpur and at a later stage, similar plants throughout the country.

#### **ST2.6 New Energy Policy**

Mr. Speaker, Sir,

43. In this Plan, energy supply will continue to be strengthened by creating a more competitive market and reducing energy subsidy in stages. The New Energy Policy has identified five approaches:

First: rationalising energy pricing gradually to match market price, taking into account current economic condition and affordability to the *rakyat*;

Second: undertaking a more strategic development of energy supply by diversifying energy resources, including renewable energy resources. Nuclear energy will also be considered as an alternative source of energy;

Third: accelerating the implementation of energy efficiency initiatives in the industrial, commercial, residential and transport sectors;

Fourth: improving governance to support the transition to market pricing, while providing assistance to mitigate impact on the low income group; and

Fifth: ensuring that the New Energy Policy is implemented based on an integrated approach and according to schedule to achieve energy supply security.

## **ST2.7 Cluster Development**

- 44. Regional economic development will focus on a number of dense urban clusters with high value industries to attract investments and skilled workforce. This is intended to transform several cities in Malaysia as destinations to attract high tech investments, talent and knowledge workers.
- 45. The cluster-based development approach that will be adopted in the corridors will exploit the potential and available resources and

serve as a catalyst to growth. Cluster development will focus on selected sectors as well as identify key investors, including government linked companies and the private sector, to lead the development of clusters in the corridors. In addition, connectivity and linkages between the clusters and its suburban and rural hinterland will be improved to ensure direct benefit to these areas.

#### ST2.8 Developing SMEs as the Engine of Growth and Innovation

- 46. Small and medium enterprises (SMEs) play an important role in spearheading the economic growth of the country. The Government will continue to support SME development, including small companies that are still in the early stage, and companies that have the potential to become global. We will also encourage foreign SMEs to collaborate with local SMEs, particularly in modern technology, so that they can mutually benefit from the transfer of technology and access to wider markets.
- 47. To ensure that the SMEs have better access to financing facilities, the Government established the Working Capital Guarantee Scheme totalling 7 billion ringgit and the Industry Restructuring Loan Guarantee Scheme totalling 3 billion ringgit which I announced under the Second Economic Stimulus Package. The entire 7 billion ringgit under the Working Capital Guarantee Scheme has been approved. In view of the encouraging response to the Working Capital Guarantee Scheme, the Government will provide an additional three billion

ringgit under Tenth Malaysia Plan, making it a total of 10 billion ringgit.

- 48. The Government is aware that there are local SMEs, which have penetrated international markets, but face problems to gain a foothold locally. There are also SMEs that have obtained domestic recognition or international awards in terms of quality and innovation. Such SMEs will be considered *green lane access* or priority in the procurement processes of the Government and GLCs.
- 49. The Government views seriously the provision of credit facilities for SMEs to facilitate their participation in key economic activities. In this regard, the Government will consider increasing the financial resources of the SME and the Agro Bank to enable them to provide more effective services to SME entrepreneurs. In addition, SME Corp will be provided adequate financial allocation to ensure that SMEs with potential to succeed receive appropriate assistance.

Mr. Speaker, Sir,

## Third Strategic Thrust: Moving Towards Inclusive Socio-Economic Development

50. Inclusiveness is the main prerequisite to ensure that every Malaysian can benefit from the prosperity resulting from the country's development. This approach will ensure social justice for groups that are truly in need of assistance and no one will feel marginalised.

51. The Government will continue to undertake relevant initiatives in ensuring a better future for the rakyat. Development policies will be driven by the principles of progressiveness and pragmatism in the interest of the rakyat. However, we will always abide and uphold the Federal Constitution with the highest regard and sanctity.

# ST 3.1 Participation of the Bumiputera Community in the Economy

- 52. The Bumiputera development agenda will continue to be addressed in line with the concept of growth with distribution. In view of the increasingly challenging global and domestic economic environment, there is a need to transform the Bumiputera development agenda to enhance participation among competitive and resilient Bumiputera companies. This new approach will be based on four key principles: market-friendly, needs-based, merit-based and transparency.
- 53. Priority will be given to enhancing Bumiputera capabilities. In this regard, emphasis will be given to enhance Bumiputera capabilities by leveraging on past achievements. Support will be given to potential Bumiputera enterprises who have demonstrated their capability and credibility to enable them to move towards higher value added activities in line with the Government's aspiration, so that they can realise and optimise their potential.

- 54. The objective of Bumiputera ownership restructuring in the early 1970s was focused on equity ownership. Going forward, the measurement of Bumiputera participation in the economy will be enhanced to include financial and non-financial assets, such as real estate and business premises as well as professional employment. This holistic and comprehensive approach focuses not only on the aspect of wealth ownership, but also the aspects of income enhancement, in line with the Government's aspiration to become a high-income nation. At the same time, the target of achieving at least 30 per cent Bumiputera corporate equity ownership at macro level remains.
- 55. Accordingly, five strategic initiatives to strengthen the Bumiputera development agenda have been identified for implementation as follows:

First: Increasing Bumiputera equity ownership through institutionalisation. In this regard, private equity programmes in government-linked investment companies, such as Permodalan Nasional Berhad (PNB), Lembaga Tabung Angkatan Tentera and Tabung Haji will be renewed, strengthened and expanded to consolidate and pool various funds to broaden ownership and control of Bumiputera equity.

In this context, EKUINAS was established as a Bumiputera private equity investment institution.

EKUINAS has a similar function as PNB, with special emphasis to invest in high potential medium-sized companies, to be supported to become champions and leaders in their respective sectors.

EKUINAS will adopt a new approach which is more market-friendly and merit-based. In this regard, the Government will support credible Bumiputera entrepreneurs and capable Bumiputera professionals to expand their businesses to a higher level at the domestic, regional and international arena.

Second: Increasing Bumiputera property ownership. In this context, Pelaburan Hartanah Berhad will establish a Real Estate Investment Trusts (REITs) to facilitate Bumiputera investment in commercial and industrial properties and benefit from property appreciation. In addition, Kampong Bharu, a valuable Bumiputera asset in the heart of Kuala Lumpur will be redeveloped to enable landowners to realise and unlock the value of their properties without affecting the Malay ownership.

Third: Improving skill and entrepreneurial development programmes and funding through various Bumiputera development agencies. An integrated development package will be provided to the Bumiputera Commercial and Industrial Community (BCIC) to

strengthen their competitiveness and resilience. The package will include entrepreneurial training, technical assistance, financing, consulting services, promotion and marketing. To improve access to financing facilities, 1.5 billion ringgit or half of the additional Working Capital Guarantee Scheme of three billion ringgit, which I announced earlier, will be allocated to Bumiputera entrepreneurs. In addition, entrepreneurial development MARA organisations, such as and Perbadanan Nasional Berhad (PUNB). will Usahawan be strengthened. For this, an allocation of three billion ringgit will be provided;

Fourth:

**Developing professional Bumiputera employment in a** more holistic manner. In terms of employment creation, we have successfully produced large numbers of Bumiputera professionals, including accountants, engineers, medical specialists, lawyers and others in the corporate sector. Currently, Bumiputera participate in all professions and even lead in the fields of engineering, medicine, law, surveying and architecture. During the period 2000-2008, Bumiputera overall employment increased from 56 per cent to 63 per cent, while in the managerial and professional category, it increased from 46 per cent to 51 per cent; and

Fifth: Establishing a high-level Council to plan, coordinate and monitor the implementation of the Bumiputera development agenda. I will lead this Council, made up of relevant cabinet ministers, senior government officials and the private sector. The Economic Planning Unit in the Prime Minister's Department will be the secretariat to the Council. The Project Management Unit in the Ministry of Finance will monitor the implementation of programmes to ensure their efficient and effective implementation.

## **ST3.2 Continuation of Social Justice Policy**

- 56. In effort to carry on the Social Justice Policy, the Government is cognisant of its responsibilities and commitments arising from the mandate given by the rakyat towards ensuring social justice. The Government is committed to continue policies based on social justice. I believe many of the difficulties faced by the rakyat, whether in interior villages, estates or the Chinese new villages, can be resolved by giving specific attention to the issues. The intention of my walkabouts is to receive feedback on difficulties faced by the *rakyat*.
- 57. The Tenth Malaysia Plan will focus on raising the income and quality of life of the bottom 40 per cent household income group. Bumiputera form the largest number, that is 73 per cent of the 2.4 million households in this group.

- 58. In order to enhance competitiveness and market efficiency, as well as ensure more optimal utilisation of resources, price controls and subsidies need to be reduced in stages to eliminate market distortions and abuses. However, any subsidy reduction will only be undertaken after taking into consideration the feedback from the *rakyat*. I wish to give the assurance, that the lower income group and those who are most vulnerable will continue to be given assistance to mitigate the impact of any subsidy reduction on their cost of living.
- 59. Specific focus will be given to disadvantaged groups, especially those living in the interior, those who live in long houses in Sabah and Sarawak, as well as the Orang Asli and estate workers in Peninsular Malaysia. There are still pockets of people living without electricity and water supply, and with limited access to health facilities. There are school children who have to make arduous daily trips to schools. I assure you that we will address issues of the less fortunate and free them from the poverty trap. I want to ensure that the prosperity, resulting from the country's development, will be enjoyed by all Malaysians, to those in a Malay *kampung* in Grik, Perak; to Orang Asli communities in Pos Titom, Cameron Highlands; Indian workers in Mary Plantation, Kuala Selangor; residents of Chinese new village in Pasir Hitam, Perak; Iban communities in Mujong Balleh, Sarawak; and Rungus communities in Kudat, Sabah.
- 60. For this, the Government will intensify the implementation of economic programmes and the provision of basic amenities. The Government is also considering to grant land titles to the Orang Asli

and Bumiputera of Sabah and Sarawak. This will enable them to benefit from integrated agricultural development programmes through the agropolitan and contract farming approaches. They will also be given better access to infrastructure and public facilities, such as roads, education and skill training.

- 61. Focus will also be given to improving the quality of life of workers in estates and displaced estate workers. Water supply will be provided to 182 estates, up to 1,000 acres in size and located less than five kilometres from the water mains, costing 109 million ringgit. Skills training will be provided especially to school drop-outs from various ethnic groups, to enhance their employability. Those interested to venture into small businesses will be given appropriate access to AIM and TEKUN micro-credit facilities and this will help to address urban poverty. This loan scheme will be packaged together with entrepreneurship training to develop their capabilities in areas such as financial management, preparation of business plan, marketing and promotion. The training will be conducted in *Institut Keusahawanan Negara* (INSKEN), *Pusat GiatMara* and *Institut Kemajuan Desa* (INFRA).
- 62. Residents in Chinese new villages will also be given assistance. Currently, there are about 280,000 households living in these new villages. The residents will be provided soft loans to assist them to pay their land premiums and renewals of leasehold. The loan will be channelled through Bank Simpanan Nasional and an initial fund of 100 million ringgit will be provided. In addition, the Cabinet

Committees for Indians as well as Sabah and Sarawak Bumiputera affairs will continue to address the issues of the respective communities.

Mr. Speaker, Sir,

# Strategic Thrust 4: Developing and Retaining a First-World Talent Base

63. Competition for talent has intensified, many countries particularly developed nations, have adopted comprehensive and open policies in attracting the best talent including Malaysians. A skilled and knowledgeable workforce is the cutting edge of a nation's competitiveness. In this regard, the Government will implement holistic measures to strengthen education and training systems, starting from early childhood to tertiary education. Aside from providing the best teaching and learning infrastructure, the Government will also ensure that the quality of teachers and educators are of a high level.

#### **ST4.1 Raising Student Quality**

64. To improve the quality of students, the proportion of graduate teachers in primary schools will be increased from 28 to 60 per cent. The performance of students in critical subjects, particularly the National Language, English, Science and Mathematics, will also be improved by increasing the number of quality teachers. To achieve this goal, the programme enabling non-graduate teachers to attain

degrees will be intensified. To improve the quality of preschool teachers, the qualification requirement for their appointment will be raised to a diploma and bachelor's degree. The Government will also implement measures to establish teaching as a profession of choice.

- 65. In order to meet the demand for quality Mandarin language teachers in Chinese National Schools and National Schools, those with Unified Examination Certification and *Sijil Pelajaran Malaysia* or SPM will be considered for enrolment into the Chinese Language Programme in Institutes of Teacher Education. The same consideration will also be given to those who have Sijil Menengah Agama or Sijil Tinggi Agama and SPM to become teachers in J-Qaf and Islamic Education Programme.
- 66. The Government has also established high-performing schools to enable students to achieve excellence in all aspects of education. Twenty schools have been awarded the status of high-performing schools based on their achievement and performance. The number of high-performing schools will be increased to 100 by the end of 2012, which will include primary, secondary, day and residential schools.
- 67. A Trust School framework will be introduced to enable public private partnership in the management of selected government schools. The Government will provide Trust Schools with greater autonomy in decision making and in return greater accountability in improving student outcomes. The autonomy will include flexibility to modify the learning curriculum, use of allocation, providing incentives

to teachers in line with their performance and selection of teachers and support staff.

- 68. The Government will continue to help government-aided schools to ease the burden borne by the school management. For purposes of renovating and upgrading government-aided schools, a sum of 280 million ringgit will be allocated for 2011 to 2012. Each category of government-aided school, namely Chinese schools, Tamil schools, religious schools and mission schools will receive an allocation of 70 million ringgit for the first two years of the Plan. In addition, assistance will be provided to pay electricity and water bills, up to two thousand ringgit per month per government-aided school, benefiting about 1,900 government-aided schools.
- 69. Children are our most valuable assets. They are our future. The Government is committed to provide children with opportunities for their future success in coping with challenges and competition. The investment on these children is vital for the country's future. Accordingly, the PERMATA early childhood education programme has become an important national agenda.
- 70. According to experts, there is a gifted child for every 10,000 children. In 2007, there were about 8.9 million children under the age of 14 in Malaysia. This means there are at least 900 gifted children in Malaysia.

- 71. The enrolment of children between the ages of 4+ and 5+ years in preschools will be increased from 67 per cent in 2010 to 87 per cent in 2012. This target will be achieved through the addition of preschool classes in government primary schools and by encouraging the private sector to establish preschools. An incentive of 10 thousand ringgit will be provided to private preschool providers for each new preschool established.
- 72. In addition, to strengthen pre-school programmes, the Government is considering lowering the entry age of formal schooling from 6 to 5 years during the Plan period based on the capacity of the Government. The lower entry age will extend the access to structured education for children during their formative years.

# ST4.2 Mainstreaming Technical Education and Vocational Training

73. In developed countries, technical education and vocational training are the preferred choices for students expecting good career prospects. In Malaysia however, it appears to be the last choice due to perceived limited career opportunities. This misperception has to be changed. Technical and vocational training provides a viable alternative for individuals to realise their full potential. Every year, 100,000 SPM holders or 22 per cent enter the job market without any skills training. To enable them to obtain technical education and vocational training, such facilities will be enhanced. The focus will be to improve the value proposition and attractiveness of technical

education and vocational training to prospective student, providers and industries. In this regard, the Department of Skills Development will be the sole agency in developing and certifying the quality of the technical education and vocational training curriculum. The Malaysian Skills Certificate will be recognised for entry into the civil service and institutions of higher learning. I believe these measures will increase confidence and encourage more school leavers to pursue their studies in technical education and vocational training.

74. Currently, only 23 per cent of our workforce is highly skilled. This percentage is much lower compared with other developed countries. We need to improve the composition of highly skilled workers to at least 37 per cent by 2015, to become a developed nation. To encourage private sector involvement in the training for highly skilled workers, the Government will undertake the following measures:

First: Expand the coverage of matching grants of the Human Resource Development Fund and SME Corp Malaysia to assist employers of small and medium industries in the training of their employees;

Second: Provide financial assistance in the form of loans for employees to undergo training to enhance their qualification. A sum of 500 million ringgit will be provided under the Skills Development Fund Corporation and this is estimated to benefit at least 38,000 employees;

Third: Establish a joint fund financing between the Government and employer to enable employees to study at the PhD level in fields related to the industry where they are currently employed;

Fourth: Expand the National Dual Training System (NDTS) programme, which stipulates 70% of training content is hands-on in the workplace and 30% is theoretical class at training institutions. The NDTS covers workers and SPM school leavers and will be expanded to include those unable to complete 11 years of education;

Fifth: Expanding the recognition of prior learning by awarding the Malaysian Skills Certificate to 60,000 employees annually on the basis of their knowledge, experience and skills acquired in the workplace; and

Sixth: Encourage the private sector to provide vocational and skills training using the Public Private Partnership method.

# **ST4.3 Raising Graduate Competence**

75. To improve the competence of graduates, their employability will be one of the KPIs of universities. Financial allocation to universities will depend on the achievement of their KPI targets. In

addition, the Government will grant gradual autonomy to the universities to improve their performance.

- 76. The quality of academic staff will be improved by increasing the number with PhDs, with a target of 75 per cent in research universities and 60 per cent in other public universities. To achieve this target, the implementation of the MyBrain15 programme will be intensified to finance doctoral studies for the purpose of increasing the number of PhD holders to 18,000 by 2015. In addition, salary packages will be reviewed to attract foreign lecturers and retired academic staff.
- 77. The higher education institutions in the country have played a pivotal role in moving and providing the impetus for research, development and commercialisation activities. Academicians in various fields of expertise have been pioneering new ideas, concepts or theories to be the leading edge for new discoveries, expansion of knowledge as well as new creations and inventions that are technologically advanced and innovative. As a matter of fact, there is significant relationship between economic growth and R&D activities in higher education institutions. Hence, in order to promote and encourage R&D activities among the higher education institutions, the Government has declared Universiti Malaya (UM), Universiti Kebangsaan Malaysia (UKM), Universiti Putra Malaysia (UPM) and Universiti Sains Malaysia (USM) as research universities. In tandem with our aspirations to further enhance R&D activities and programmes under the Tenth Malaysia Plan, I hereby, have the

pleasure of announcing another public university to be elevated to the status of a research university. The said research university is Universiti Teknologi Malaysia (UTM).

#### **ST4.4 Increasing Labour Market Efficiency**

- 78. Going forward, the efficiency of the nation's labour market needs to be improved. In this regard, related labour laws will be reviewed to ensure a balance between labour market flexibility and job security.
- 79. Currently, the country has approximately 1.9 million foreign workers. While we undoubtedly need the services of foreign workers, especially in jobs that are not favoured by locals, the continued reliance on unskilled foreign workers will hinder our aspiration to shift to higher value added economic activities. Therefore, the foreign worker employment policy will be streamlined by introducing different levy rates according to the ratio of foreign workers to total workers in the company, and vary according to the skill level of the foreign workers. Higher rates will apply for lower skilled workers. The rates will be increased yearly.
- 80. To attract more skilled workers into the country, the Government will establish a body which is Talent Corporation, which will identify skill shortages in key sectors, and attract and retain necessary skilled human capital. While we are faced with the shortage of skilled manpower, there are more than 700,000

Malaysians currently working abroad. The Talent Corporation is expected to spearhead Malaysia's initiative to attract the Malaysian diaspora back to the country to contribute to the country's skilled manpower needs.

- 81. For this, the Talent Corporation will provide an integrated Skilled Human Capital Blueprint with the cooperation of the public and private sectors. In addition, the Talent Corporation will become a one-stop centre to coordinate with relevant government agencies, including immigration matters, for the entry of skilled workers into the country.
- 82. The Government has launched the National Council of Professors to mobilise intellectual potential in public universities. The intellectual capacity and expertise of more than 1,400 professors in public higher education institutions will be fully capitalised through this initiative. Producing quality human capital is another national agenda to realise Malaysia's objective to become a developed nation with high income. Therefore, public universities must have the best and highly motivated academic staff and researchers.
- 83. For this purpose, the Government has announced an improved service scheme for professors and lecturers at public universities and teaching institutions. Under the new scheme, the Senior Professors category will have Staff Grade pay scale. Promotion to this level will be based on individual qualification and performance, and will not be limited to a certain number. Furthermore, the Government has

decided to reward The Royal Professor with a better remuneration package in line with the responsibility and prestige of the title.

Mr. Speaker, Sir,

# Strategic Thrust 5: Building an Environment that Enhances Quality of Life

84. Strong and sustainable economic growth is unsatisfactory if the quality of life for all levels of society does not improve in tandem. In line with the concept of social justice imbued in the Tenth Plan, the Government will ensure that the economic prosperity of the nation is equitably distributed, thus, improving the quality of life of all the rakyat.

## ST5.1 Ensuring a Higher Quality of Life in Urban Areas

85. Global competition is no longer just between countries but increasingly between cities. Economic activities will naturally concentrate in cities, where the density of firms and talent drives productivity and innovation. Cities are therefore at the frontline in the drive towards high income. The challenge is to enhance the liveability of cities to ensure that the benefits of agglomeration are not lost to escalating crime, grime and time (congestion). In reality, the trend of urbanisation is increasing in Malaysia. Presently, 67 per cent of the population are living in urban areas. To cater for the increasing density, the Government will ensure that urban areas are vibrant and

liveable, complete with the necessary infrastructure and facilities. In this regard, the National Physical Plan 2, which will be finalised this year, will pave the way for more strategic and better planning in the creation of compact yet efficient urban areas.

86. The Government aims to provide an attractive and comfortable living environment for city dwellers to live, work and play. Open spaces and green areas will be created and improved. Among the initiatives to be implemented are the transformation of the Lake Gardens in Kuala Lumpur into a botanical garden and the setting up of a Malaysia Truly Asia Tourism Centre in Kuala Lumpur. Waterfront areas of cities will be beautified and turned into attractive spaces, similar to the restoration of the Melaka River waterfront.

## ST5.2 Expanding Essential Facilities in Rural Areas

87. Focus will be given to increasing the coverage of basic infrastructure such as roads, electricity and water supply, and communication networks to rural areas. The Government will build 6,300 km of paved roads in Peninsular Malaysia, 2,500 km in Sabah and 2,800 km in Sarawak, which is expected to benefit 3.3 million people. The Government will also improve rural water supply with a target of 99 per cent in Peninsular Malaysia, 98 percent in Sabah and 95 per cent in Sarawak. This will involve the extension of water supply to 117,000 homes in Peninsular Malaysia, 112,700 in Sabah and 87,400 in Sarawak.

88. The provision of electricity supply in rural areas will be extended to 6,000 homes in Peninsular Malaysia, 59,000 homes in Sabah and 76,000 homes in Sarawak. Apart from providing infrastructure and basic utilities, the Government will also provide social amenities and information and communications technology (ICT) facilities to rural communities.

## **ST5.3 Enhancing Public Transport Efficiency**

- 89. Improving the public transport system is a major priority of the Government. The Government has established the Public Land Transport Commission (SPAD) as the lead agency responsible for planning, regulating and enforcing public land transport related matters and operations. It will also be responsible for providing safe and reliable services at reasonable fares to encourage more people to use public transport.
- 90. In line with the "Greater Kuala Lumpur" NKEA, the Government will further enhance the public transportation network in Kuala Lumpur with the implementation of the high capacity Mass Rapid Transit system. This is an iconic project in our capital city that will be highly beneficial to commuters and have large spillovers to the economy. When completed, the system is expected to cover a radius of 20 km from the city centre with a total length of about 150 km, and when fully operational, will serve up to two million passenger trips per day from 480,000 trips on current urban rail systems.

91. The construction of bus and rail terminals such as the Gombak Integrated Transport Terminal, will ensure that public transport runs smoothly. These measures are expected to increase the public transport modal share in Greater KL from 12 per cent in 2009 to 30 per cent in 2015. Efforts to enhance the public land transport system will also be expanded to other cities. For this purpose, a Bus Rapid Transit system will be introduced in Iskandar, Johor, while the number of public buses in Pulau Pinang will be increased by 200 buses to enable the expansion of 26 routes with an added capacity of 75,000 passengers per day.

Mr. Speaker, Sir,

#### ST5.4 A Healthy People, a Productive Society

- 92. A healthy society contributes to a dynamic and productive nation. Thus, measures to improve the health of the rakyat will be given special focus. Healthcare access, coverage and quality will continue to be improved. Amongst the Government's major initiatives are the construction of 8 hospitals, including specialist hospitals, 197 clinics and 50 additional 1Malaysia clinics, which are expected to be ready in the first half of the Tenth Plan.
- 93. It has been said that a healthy mind comes from a healthy body. A community that is active in sports will be a healthy and productive society. Furthermore, sports can bring not only recognition and glory to the nation, but also serves as a platform for national unity and

integration. The Government, in collaboration with the private sector, will emphasise family-orientated sports and recreational activities and its acculturation into the daily life of the community. Accordingly, sports and recreational facilities will be built and upgraded in strategic and easily accessible locations.

### ST5.5 Affordable Housing for the People's Well-Being

- 94. The Government intends to provide an adequate supply of affordable houses especially for the low income. For this, 78,000 affordable houses will be built during the Plan period. Related laws will also be tightened and enforcement enhanced to ensure the quality of affordable houses built.
- 95. A fund of 500 million ringgit will be established for the repair and maintenance works of public and private low-cost housing. This fund will be allocated on a matching grant basis, where half of the contribution will be borne by the Government and the other half by the management committee or residents' association.

## ST5.6 Enhancing People's Confidence in Public Safety

96. Public safety and order is a critical concern for all Malaysians. The Government's efforts and strategies to improve public safety have shown positive results based on the decrease in overall index crime in the first quarter of 2010. Police patrols will be increased, especially in 50 hot spots to curb criminal activities. These efforts will be

complemented and supplemented by RELA, the Civil Defence Department and other public volunteers. In addition, 496 CCTVs are currently being installed nationwide to increase monitoring capacity. The Safe Cities programme is also ongoing with the mobilisation of various government agencies such as the Royal Malaysian Police, local authorities, National Anti-Drug Agency and Department of Social Welfare.

Mr. Speaker, Sir,

## ST5.7 The Development of a Progressive Society

97. As the saying goes, the hand that rocks the cradle rules the world. The status of women in society is a good indicator of a dynamic and progressive country. Women are the cornerstone of happy families and the essence of a successful nation. Steps will be taken to increase the participation of women at all levels in both public and private sectors, including entrepreneurial ventures. Existing laws and related regulations will be reviewed to create a more conducive environment that encourages greater female participation in the workforce. I call upon the private sector to increase the representation of women, especially in senior positions, such as chief executive officers and members of Board of Directors.

98. The young generation is also important because they will shape the future of the nation. Being the largest segment of citizens, the Government will be accommodative to their aspirations. We will

become better listeners to as well as constructive partners to youth. Their idealism and energy are needed by the nation to realise a better future. Therefore, the Government will streamline the delivery system of existing youth development programmes to ensure that the younger generation is more productive in the nation's socio-economic development, particularly through the activities of associations and volunteerism. Following the success of the Youth Day celebration held recently in Putrajaya, I am also pleased to announce that Putrajaya will be made more youth-friendly by providing avenues and for beneficial opportunities and appropriate activities and programmes for youth.

- Older persons are also not forgotten. By 2020, it is estimated 99. that they will number 3.4 million. The Government realises that harnessing this pool of resource is valuable. This group should be given the opportunity to remain healthy, active and productive in their golden years. In line with this, programmes will focus on enhancing elderly-friendly infrastructure, improving access to affordable healthcare, ensuring adequate provision of homes and improving financial security as well as employment opportunities. To facilitate this, the collaboration amongst the Government, non-governmental organisations and the private sector is vital towards increasing the senior citizens' involvement in social and economic activities.
- 100. The Government is committed to enhancing the well-being of persons with disabilities. Greater efforts will be made towards providing them with more opportunities for skills training, employment

and entrepreneurship. Measures will be taken to provide easy physical access for transportation and buildings, towards creating a more disabled-friendly environment. Enhanced focus will be given to mainstream persons with disabilities into society thus enabling them to be independent, productive and valued contributors in the nation's development.

#### ST5.8 The Sustainability of the Environment is Our Responsibility

101. In this plan, various measures will be implemented to ensure the sustainability of the environment. Emphasis will be placed on the use of renewable energy and increasing energy efficiency. The Government will introduce the Feed-in Tariff and Renewable Energy Fund to encourage the implementation of renewable energy projects. Relevant guidelines, standards and laws will also be introduced to ensure efficient use of energy, and to reduce greenhouse gas emission.

102. Environmental conservation cannot rely purely on a sense of responsibility. The Government will, therefore, promote economic opportunities that create value from conservation. For example, ecotourism can generate income particularly for local communities to encourage the conservation of the country's flora and fauna. We must also seize opportunities that arise from emerging trends, where green products, services and technology are increasingly in demand. In this respect, I call upon industries to take this opportunity and use the incentives provided by the Government through the Green

Technology Financing Scheme worth RM1.5 billion to enhance the application of green technology in the production of goods and provision of services.

103. The Government will also promote environmentally friendly housing by introducing guidelines and a green rating system. Putrajaya and Cyberjaya will serve as flagship green townships. The Government will take the lead in adopting green building standards. New Government buildings will be designed to meet green standards. Energy efficiency of existing buildings will be enhanced and as a showcase example, the Prime Minister's Office complex will be upgraded to meet the Gold Standard Green rating.

#### **DEVELOPMENT ALLOCATION**

Mr. Speaker, Sir,

104. Beginning with the Tenth Plan, the implementation of programmes and projects on a rolling plan basis will be introduced. With this approach, allocation for programmes and projects will be provided on a two year basis beginning 2011 to 2012. This allows commitment to be made based on the financial position of the Government and provides flexibility to respond to new priorities and changes in the global and domestic economic environment. The detailed list of the programmes and projects for the first rolling plan will be ready by the end of August this year. To carry out the Tenth Malaysia Plan development programmes, the Government will make

available an allocation of 230 billion ringgit for development expenditure. This will comprise 55 per cent for the economic sector, 30 per cent social sector, 10 per cent security sector and 5 per cent for general administration.

#### CONCLUSION

Mr. Speaker, Sir,

105. To conclude, in the spirit of the World Cup, which begins tomorrow, we can use the analogy of a successful football team to relate to the successful realisation of Malaysia's aspiration to become a developed nation and high income economy.

106. For a football team to succeed, all players in the team, irrespective of their position, need to work together and play as a team. If they don't, they are unlikely to win, worse, they may lose badly. Each player, whether it is the goalkeeper, defender, midfielder or striker, is equally important. However great the footballers are as individual players, victory can only be achieved as a team. Each individual team member is a valuable asset and everyone's potential must be optimised to achieve success.

107. Even if the team has the best strikers in the world, such as Rooney, Messi or Ronaldo, the team would still lose if it had weak defenders or goalkeeper, as the number of goals scored would be

more than offset by the number of goals conceded. Therefore, to succeed, we must form a 1Malaysia team, that is united and aligned in purpose and vision, to achieve the best for Malaysia, through our collective best efforts.

108. Malays, Chinese, Indians, Melanau, Iban, Kadazan, Dusun, Murut, Sikhs, *Orang Asli*, Serani, Siamese and all other ethnicities of our nation have contributed towards the development of Malaysia, which today is both peaceful and prosperous. However, going forward, we have the potential to achieve greater heights, if we are able to collectively work in an effective manner, leveraging on our respective strengths.

109. I therefore call upon all Malaysians, irrespective of race, religion or political opinion, to work with the Government, towards building a greater nation, where all have a sense of ownership, a Malaysia where all talent is valued and optimised and a Malaysia where an individual is only limited by the limits of his own ambition and hard work.

110. The country is at a critical juncture of its developmental journey and the choice is in our hands, whether to choose the path towards glorious success or the path of decline. We are akin to being in the last leg of a relay race. The baton is now in our hands, for us to forge ahead to victory.

111. From this moment, let us move forward on our journey, which will not take a day, week, month or year, but a journey to be undertaken generation after generation. InsyaAllah, we will succeed.

Mr. Speaker, Sir,

I beg to propose.