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Comments on the 11th Malaysia Plan by Datuk Abdul Farid Alias, Chairman Association of Banks Malaysia/Group President & CEO, Maybank

The 11th Malaysia Plan (11MP) represents the “last miles” towards Vision 2020, and as such it is no surprise that the key macroeconomic targets to become a high-income economy such as the per capita income level of around USD15,000 by 2020 and the private sector-led and services-driven real GDP growth of 5%-6% p.a. over the next five years are reiterated.

Obviously, the challenge is to achieve the numbers and realise the aspirations via sustainable means and an inclusive process given the relatively short window. Within the context of ensuring that the people can see and feel the benefits, instead of finding themselves marginalised or left behind from the country’s transition into a high-income economy, the 11MP makes the right emphasis on the need to invest in the education of our children and the training and upskilling of our workforce. This can in turn facilitate the restructurings and realignments in the economy as we need to intensify the moves by companies, industries and sectors into higher value-added activities that generate higher paying jobs.

Besides the 2020 aspirations, the 11MP period also coincides with the early years of ASEAN Economic Community (AEC) where the formation of the Single Market and Production Base for the region will entail its own set of opportunities such as export growth, trade expansion and business and capital flows, as well as challenges such as “relocations and reallocations”.

Productivity will therefore be critical to drive GDP growth, support increases in household and corporate incomes, build our regional and global competitiveness and strengthen the economy’s resilience. The key success factor - and also the risk factor - is mindset (including perceptions) of all major stakeholders of the Malaysian economy - workers, employers, policymakers, entrepreneurs and investors.