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Captains of industries say 'aye' to budget

DATUK SERI TONY FERNANDES
AirAsia Bhd
Group CEO

I AM thrilled about the Mass Rapid Transit (MRT) in Greater KL. This is something long overdue. People do not realise the significant loss in productivity to be sitting in traffic jams. Hopefully, with the MRT, this problem will be alleviated.

It is critical to cover the whole of KL and I hope that the railway will continue to be developed. It would be fantastic if KTM is linked to KL International Airport as that could spur tourism along the entire KTM network stretching from north to south. Along the way, there are many tourism projects and the linkages can only benefit the rural economy tremendously.

I am happy that talent is being put to the forefront. We should try to bring back our talent from abroad. For that to happen, we must be prepared to compete with the best in the world.



SANDEEP DAS
Masin Bhd
Chief Executive Officer

AS Malaysia's leading integrated communications provider, we believe the incentives in the budget will help pave the way for a robust development of the country's ICT eco-system.

We look forward to playing our role in developing an exciting value proposition for the customers, bringing them to the next level of digital lifestyle.

We are working towards a comprehensive eco-system that includes partnerships with various global and local content providers and device manufacturers as well as initiatives that focus on simplifying and enriching user interfaces, applications and access portals.

We are also very happy to hear that smartphones and ordinary phones will now be exempted from sales tax. This will certainly go a long way in making mobile phones more affordable.



TAN SRI DATUK LODIN WOK
KAMARUDIN
Boustead Holdings Bhd
Deputy Chairman/Group MD

AS a leading participant in the oil palm industry, the Boustead Group is encouraged by the Government's budget to protect this sector.

We are also encouraged by the budget's focus to emerge the tourism industry. As the owner of Malaysia's first and only pedestrianised shopping mall, the Curve, we are elated by the fact that import duties on a range of goods that appeal to tourists, both local and foreign, will be abolished.

Personally, I am happy with the budget, particularly since the rakyat will be able to enjoy affordable housing. At Lembaga Tabung Angkutan Penera (LATAP), we have always strived to provide members of the Armed Forces with such opportunities. To date, LATAP has built and sold close to 2,000 low-cost, low-medium and medium-cost homes in Selangor, Johor and Kuala Lumpur.



DATUK YUSLI MOHAMED YUSOFF
Bursa Malaysia Bhd
Chief Executive Officer

THE government-linked investment companies' impending sell-down of their stakes and the establishment of a private pension fund alongside the Employees Provident Fund will see diverse positions being taken on the capital market. This will promote vibrancy in the market.

Increasing the number of day traders will help to balance out the long-term holdings in the market. The day traders will manage this imbalance, thereby creating liquidity.

Increasing the public shareholding for the much-awaited listings of Petronas Chemicals Bhd and Malaysian Marine & Heavy Engineering Bhd will see greater participation from the retail market and allow the rakyat to participate in the growth of one of the nation's most successful enterprises.

We are pleased that the Government will give tax deductions for the issuance of Islamic securities based on murabahah and ijarah contracts using commodities traded on our Bursa Suq Al-Sila' trading platform.

This commodity-trading platform is already receiving international acclaim from users - local and foreign Islamic banks - and incentives such as this will help us to drive the Malaysian International Islamic Financial Centre to position Malaysia as a key destination for Islamic finance and investment.



DATUK IZZADDIN IDRIS
UEM Group
Managing Director

THE budget is comprehensive and well-thought-out and aimed at increasing the country's economic competency and enhancing Malaysia's human capital development, ingredients of a high-income nation. At the same time, it is a "sensitive budget" as there are many initiatives to ease the burdens of Malaysians.

I also welcome the Government's push to further intensify the public-private partnership initiative to further enhance private sector involvement in economic activities, particularly in the construction industry, as every country cannot do without good infrastructure.



TAN SRI G. GNANALINGAM
Executive Chairman
Westports Malaysia

THE budget is part and parcel of long-term development programmes that the Government has embarked on, starting with the liberalisation measures in April 2008, followed by the Government Economic Transformation Programme and the Economic Transformation Programme. The Prime Minister has demonstrated that his masterplan is complete with the red, pillars and floor. Over the last one year, he has been slowly unveiling all the plans. Now, we can see the full vision that he has.

Most of these will be done by the private sector, especially the minimum wage and the high-income economy. It is squarely on the shoulders of the private sector to achieve a poverty-less minimum wage policy.

The policies on green technology also show that the Government is committed to the environment. The incentives and tax benefits given are definitely geared towards moving into alternative energy. He has also given emphasis on the agricultural sector because as the population grows, there will be shortage of food, and unless we invest in the farming sector, we have to pay more for food.



TAN SRI LEONG HOY KIM
Mah Sing Group Bhd
Group Managing Director

WE are pleased by the Government's generous 50% stamp duty exemption for first-time purchase of homes under RM50,000. This will reduce the cost of purchasing a house by up to RM1,000, and will directly and indirectly benefit the buyers of several of our projects which has properties in this price range.

The MRT project is particularly exciting as this will boost demand for properties. Public transport is crucial to help the nation become more energy efficient by reducing traffic congestion which in turn saves travelling time, reduces pollution and helps improve productivity.

Housing demand will increase near MRT stations and general property values will be also be enhanced over time.



SOREN RABIN
Carlsberg Brewery Malaysia Bhd
Managing Director

IT is positive that the Government has decided not to raise the excise duty on beer and stout for the coming year.

This decision is in line with the Economic Transformation Programme, in which tourism and the wholesale and retail have been identified as some of the sectors under the National Key Economic Area to drive the domestic economy.

A duty increase would have had an adverse impact on all the stakeholders connected to the industry.



DATUK SERI ABUL WAHED OMAR
Malayan Banking Bhd president & CEO
Association of Banks in Malaysia chairman

I MUST say that I like the clarity provided on some of the key infrastructure projects to be implemented from 2011 onwards.

The banking industry will participate in, and stand to benefit from, the Budget 2011 allocations and measures to sustain domestic demand and economic growth. This is particularly in terms of financing consumer spending, business working capital and investments, as well as funding for the various infrastructure and development projects.

One interesting aspect of the budget is the increase in service tax from 5% to 6%. Perhaps this will later create a stronger case for the implementation of goods and services tax that will be beneficial in broadening the Government's revenue base and plug tax leakage in the future.

Budget 2011 is prudent and practical as it continues with the gradual fiscal consolidation while ensuring that the growth momentum from this year's robust recovery can be sustained.

Malaysia does not have to aggressively slash its deficit and engage in painful austerity measures like the European countries, considering that the Federal Government debt is manageable at just over 50% of GDP currently and our sovereign credit rating is stable.



DATUK TAJUDIN ATAN
BSN Banking Group
Managing Director

IT's a landmark budget that sets the pace for economic transformation. It rightly emphasises reintegrating private investment and intensifying human capital development.

The budget sets a very good strategy in balancing fiscal consolidation with economic growth. This is prudent and pertinent, given the rising risk of a sharper-than-expected slowdown in the global economy.

The Government has, in the budget, prioritised spending and yet continued to scale down its fiscal deficit to ensure sustainable growth.



DATUK SERI STANLEY THAI
Supernax Group
Managing Director

AS part of the alternative energy sources, the pioneer status given to investment of renewable energy would enable and encourage the glove industry to grow further and sustain its global competitiveness.

The Government's emphasis and allocation of a large budget for education and the establishment of Talent Corp augur well for Malaysia's aspiration to become a high-income nation. Hopefully, the Government is able to address the brain drain challenge in Malaysia.

We also fully support the Government's generous gesture to help the less fortunate by eliminating the excise duty on national vehicles for the disabled.



DATUK AMINAH RASHID SALLEH
Persahabatan Promobol Kodas Sdn Bhd
Managing Director

THE introduction of hybrid vehicles in Malaysia is still relatively new and needs all the encouragement. For now, the cost of ownership is still out of reach of those in the middle and lower-income bracket.

Persahabatan Promobol Kodas Sdn Bhd produces less carbon emissions as well as increasing their fuel efficiency in line with the Government's direction to embrace green technology.

We also fully support the Government's generous gesture to help the less fortunate by eliminating the excise duty on national vehicles for the disabled.



DATUK SERI ZAMZAMZURANI MOHD ISA
Telekom Malaysia Bhd
Group CEO

BUDGET 2011 focuses on the people, on inclusiveness and affordability, as well as human capital development in the spirit of the Government's Economic Transformation Programme, the New Economic Model and the 10th Malaysia Plan announced earlier.

Specifically, we note the strategic role that information and communication technology, as an enabler in nation-building, continues to play in driving most of the initiatives announced, in the key areas of national infrastructure, education and human capital development as well as rural development.

We welcome the extension of the exemption in import duty and sales tax on broadband equipment, the abolishment of sales tax on particularly Internet-enabled mobile devices and the initiatives to advance the creative industry, which will further propel the overall broadband adoption and usage.



SHAHROL HALIMI
Malaysia Development Bhd
Chief Executive Officer

BUDGET 2011 signals a commitment to game-changing ideas to bring about a new economic prosperity for Malaysia. We are inspired by the Prime Minister's courage to be different in his approach to move Malaysia up the value chain of the world economy.

For instance, the Government's readiness to consider special incentives for the Kuala Lumpur International Financial District (KLIFD) is a logical step forward to attract the world financial community. It reflects the Government's commitment for the KLIFD to be a critical national key economic area.

The budget is pragmatic in that it strikes a delicate balance between the need to boost the domestic economy and ensure economic prosperity in this challenging external environment and the need to reduce the Government's fiscal deficit.

The series of measures in Budget 2011 will continue to support the domestic economy by attracting more private investment.

The budget is also caring in that it is aiming at increasing home ownership, particularly among young adults such as graduates who have just joined the workforce with income of less than RM3,000.



TAN SRI DR TEH HONG HOON
Public Bank Bhd
Chairman

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