Azman: Budget 2017 needs to help new engines of growth

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KUALA LUMPUR: Aside from being pro growth and pro development, Budget 2017 will need to also assist new engines of growth such as the Iskandar Development Region and the telecommunications sector, said Khazanah Nasional Bhd managing director Tan Sri Azman Mokhtar.

"The global conditions are challenging, but Malaysia has a lot of strengths like our natural resources and geographical position with geography and natural resources. We should further capitalise on it and in a more responsible and sustainable way," he told reporters at the sidelines of Khazanah Megatrends Forum 2016 yesterday.

Meanwhile, Retirement Inc Fund (KWAP) chief executive officer Datuk Wan Kamaruzaman Wan Ahmad, said that he hoped that Budget 2017 would give prominence to the services sector, and not just the construction sector.

On the topic of transformation and how institutional investors can help improve local companies, he pointed out that the local institutional funds and private equity (PE) firms should team up to weed out non-performing companies and non-performing CEOs.

"Like in the US, if your investee companies are not performing, institutional funds would team up with PE firms to make changes and drive values. We need to start somewhere, the global PE firms are already there," he said.

He added that Malaysians can sometimes be to polite when approaching issues.

"We need to change and need to get upfront," Wan Kamaruzaman said.

According to a recent report by the Institutional Investor Council Malaysia (IIC), it highlighted that state-owned and government-linked listed companies should look into improving the quality of their leadership, accountability and transparency.

They should also include a larger number of professional directors on their boards.

IIC is a body set up last year to represent the interests of institutional investor.