



MCA's 3 Prong Approach
for Transformation



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1. Stronger Together

2. Harnessing Diversity Programme

3. 10 Economic Strategic Directions

Stronger Together: As the first part in MCA's transformation process, "Stronger Together" is aimed at uniting all members to be the strongest backing force for the said transformation. Only when our internal unity is first intact, may we then embark on national and even international ventures.

Harnessing Diversity Programme: Unity in MCA alone is not enough for good governance. As the second part in MCA's transformation process, we need the concurrence and support from the Chinese community and even other races at large. We see the need to build a multi-civilisation society. This policy framework advocates via

government policies, the need to preserve, develop and enhance the many cultures in Malaysia and its secular and modern lifestyle to become competitive as an international attraction.

10 Economic Strategic Directions: The "10 Economic Strategic Directions" is the third step in our party's transformation, and is a significant platform for us to fulfil our promise, understand the contemporary economic scenario and grasp the future trends and to create new business, new economic development and employment opportunities in areas where we are competent and competitive.

Stronger Together

The Stronger Together campaign covers three levels:

1. Unity within MCA

2. Unity of the Chinese community

3. National unity



MCA's unity is to ensure our strength and to allow us to move forward. Through the combination of MCA's strength with the Chinese guilds and associations, we can draw a roadmap on the long term plans for the Chinese community more constantly. When the Chinese community's plans are accepted and supported by the government, the Chinese community can unite with the other races, and unity

amongst the different races will benefit Malaysia, making it a respected and powerful nation.

MCA has implemented the MCA Transformation Action Guidelines which contains a series of reforms, including Updating Information in Membership Database; General Election Candidate Selection Mechanism; Setting Up of a Permanent General Elec-

tion War Room; Reorganisation and Study of Party History; Cadre Training Reform; General Election Mechanism Training, Opinion Polls; Youth Outreach; Party Volunteers; Publicity Reform and Online Publicity, MCA's Role In Government and BN's Reform.

Participating in Reforms and Sharing the Economic Outcomes

Since helming the premiership, our Prime Minister promoted the "1Malaysia" campaign, and initiated a few transformation programmes, such as the Government Transformation Programme (GTP), the Economic Transformation Programme (ETP) and others. In the past, Chinese businesses did not participate in 1Malaysia initiatives. MCA viewed this as a problem, and through co-operation between KOJADI and the government, our party has sought to include the Chinese in the TUKAR and ATOM programmes, which are aimed at helping to transform grocery shops and motorcycle workshops respectively.

Our other programme is aimed at boosting the direct participa-

tion of the Chinese community in joint-venture projects and government linked-companies so that they can support and share their successes with the other races. MCA's role is to integrate the plans of the Chinese community into our national policy with the government's acceptance and support, so that they can contribute to Malaysia more effectively.

Setting a Framework: Moving the Chinese Towards Globalisation

National unity is the third level of our Stronger Together campaign. National unity is the most important strength needed to achieve our future vision. In a fair and just national policy, the Chinese community will be able to work together with other races effectively to contribute towards Malaysia.



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We have drafted an international framework, and its core concept is "Recognition of the Chinese; Uniting All People and Moving Forward Globally". Our roadmap will benefit all Malaysians in the fast-growing emerging economies of Asia, targeting China, India, Indonesia, and Middle Eastern countries.

All Nations Can Share Economic Growth

We must strengthen our conditions to move forward in the global arena, including narrowing the gap between the rich and the poor in the country, and taking measures to adjust the tax structure. In a developed nation, some of the rich will set up foundations to help lower income groups, narrow the income gap between the rich and the poor, reduce the

crime rate and improve domestic demand. Reducing the crime rate and increasing domestic demand have always been a main concern of the people, therefore they should support the Prime Minister's move to rationalise subsidies, and revise the GST and BR1M, as these measures will not only help the lower-income groups, but will also narrow the gap between the rich and the poor, increase domestic demand and investment opportunities.

Helping Each Other; Malaysia is Our Home

These goals are not easy to reach, and we have to abandon the current negative and pessimistic feelings, improve unity, co-operation and support between all races, so that we can build a better Malaysia.





We were born and bred in Malaysia. We love our country, and we firmly resist any form of extremism, including theocratic religious-based enactments which will affect our secular way of life.

Chinese Never Absent in Nation Building

From the 15th century until today, the Chinese community has been involved in the development and construction of the nation. We are proud that the Chinese community has never been absent in nation building. We are a part of the country and Malaysia is our only home. We are happy and proud of Malaysia becoming a developed nation, and

when Malaysia faces difficulty, we also feel saddened and down. I want to tell the Prime Minister that Malaysia is our only home, and we will not let any harm befall the country.

Staying Together for the Betterment of the Gamily

Unity is the only way to construct a brighter future for the country. Everyone must work as a team to achieve our target and to lead Malaysia on the right path according to the road map towards our dream of becoming 1Malaysia. Unity will help us to cooperate sincerely, avoid disparity and losses, and to seek common ground together.



Harnessing Diversity Programme



The definition of the Harnessing Diversity Programme, is the preservation and promotion of Malaysia's diversity, secularity, modernised lifestyle through national policies, and the elevation of these qualities towards international competitiveness and attraction.

Based on this political framework, MCA will provide assistance to Chinese small and

medium enterprises and services to obtain recognition and co-ordination from the government. By combining the strength of state-owned enterprises and the affiliation of non-Chinese ethnic groups; we aim to realise division of labour within the region, Western-style administration and a globalised environment to attract fast-emerging consumers and investors from the four major Asian civilisation areas.

MCA will explore the various agendas of this political frame-

work to develop detailed strategies and plans for the purpose of integrating the advantages and demands of the Chinese community with mainstream national policies, uniting all ethnic groups in their contributions to Malaysia, enhancing the nation's strength.

Malaysia as a Gathering Point

China, India, Indonesia and the Middle East represent four unique and important civilisations, name the Chinese, Indian, Nusantara and Islamic civilisations. Malaysia is one of the few countries in the world that gathers all these four civilisations.

Under this political framework, the government must execute more diversified, fair and competitive national policies to enable more effective co-operation between the Chinese and other ethnic groups, and unite them in their contributions to make Malaysia stronger and more re-

spectable in the new global environment.

Small and Medium Enterprises' March Overseas

The first advantage is our small and medium enterprises which are mainly led by the Malaysian Chinese. Our competitiveness comes from the use of regional resources like Southeast Asian labour and materials. Manufacturing industries that use Malaysia's natural resources often achieve a higher degree of success, for example, the production of furniture and gloves are the downstream industries of Malaysia's rubber plantation industry.

If Chinese small and medium enterprises can achieve cross-national division of labour, they will be able to break through the bottlenecks caused by demand for foreign labour, foreign competition, raw materials, foreign market and etc.

Improving the Quality of the Service Industry

The second advantage is the service industry. Malaysia's food and beverage, retail, healthcare, education, entertainment, leisure and tourism industries are often owned by the Malaysian Chinese. However, to become a regional service centre for the huge Asian consumer market, Malaysia must upgrade its service quality and quantity.

The Contradictory and Complementarity Relationship of Ethnic Economy Structures

The current situation in Malaysia proves to be both a challenge and an opportunity for inter-ethnic relations. The uppermost tier of Malaysia's economic activities belong to the large state-owned enterprises and sovereign wealth controlled by a minority of Bumiputra elites. These GLCs have the responsibility to complete the target of

social restructuring not realised by the NEP.

The majority of Bumiputras are in the lowest tier of the economic activities. The vacuum in the middle tier is filled by Chinese SMEs. To change this stagnant economic structure in Malaysia, it is vital for different ethnic groups to join the second economic tiers in order to realise an ideal society in the country. In any society, expansion of the middle-class in society is always the most ideal development. For instance, the most ideal society in China would be the olive-shaped society. Although inter-ethnic ties face quite a lot of challenges, there are also plenty of opportunities to achieve unity.

Forming Inter-Ethnic Unity

GLCs have monetary and international strategic abilities, and Chinese SMEs are known for their frontline management

and skills. We can move the raw material supply, parts and final product manufacturing, sales and transportation process and even foreign labour workforce out of Malaysia to various places in Southeast Asia. This will also allow talents of different ethnic background from different places in Southeast Asia to serve Malaysian brands, and even attract Malaysian talents overseas to return to Malaysia. With this, we will be able to maintain regional resource expansion and marketing advantages, and enjoy the benefits of the Harnessing Diversity Programme.

The entrepreneurship and the affiliation of the non-Chinese will create unique services that combine four great civilisations; it will also enlarge service scales to attract consumers from different civilisations.

Narrowing the Rich-Poor Gap

Malaysia must complete five preparatory works for internal adjustment and strengthening. These five preparatory works are narrowing the rich-poor gap, keeping fiscal balance, promoting urbanisation, cross-ethnic in-



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teraction and, support and promote national transformation.

The first preparatory work is narrowing the rich-poor gap. For countries that rely on investment growth like Malaysia, under the current global economic situation, there are obligations to increase domestic demand in order to maintain economic growth.

Keeping Fiscal Balance

The second preparatory work is to maintain fiscal balance. In an effort to increase domestic demand and maintain growth, Malaysia needs to avoid the development trap of Western countries that will cause the bankruptcy of the government. We need to emphasise the importance of maintaining the fiscal balance, including insisting that the budget deficit cannot exceed the GDP's 3%, and that national debt cannot exceed the international standard of the GDP's 60%.

Promoting Urbanisation

The third preparatory work is to promote urbanisation and this is the most effective mode to increase income. To bring benefits to the Chinese community, MCA must transcend above the Chinese community and overcome the economic gap of the different races in the cities; extra attention must be paid towards Bumiputra and Indian youths and families who have migrated from rural or estate areas to the cities.

Cross-Ethnic Interaction and Support

The fourth preparatory work is to create cross-ethnic interaction and support. The 1Malaysia series of measures, including the newly formed National Unity Consultative Council (NUCC) is to counterbalance the racism of the extremists and to prepare for the Harnessing Diversity Programme.

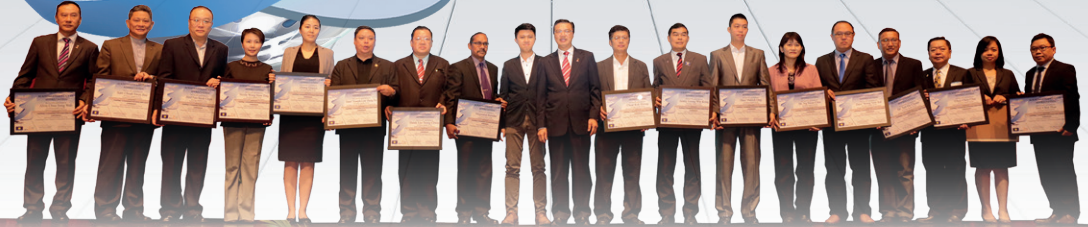
Promoting National Transformation

MCA will dispatch working teams to support the different organisations of the different industries to understand the content of the NTP. Working with leaders of our fellow BARisan Nasional component parties, we will monitor and supervise different departments and government agencies; if there are any unsolved administrative deviation, the working teams will bring and raise the issue to the Cabinet through MCA ministers.

Through the economic means of the Harnessing Diversity Programme, we can achieve six political, economic, cultural and educational targets:

1. This policy framework itself is to enable the Chinese community to have more rights of political participation under the leadership of MCA.
2. Our concept of Harnessing Diversity Programme has the aim of maintaining our diverse cultures and religions.
3. We want the government, the GLCs and manufacturing industries to join in efforts for overseas expansion; this is to ensure we have international competitiveness.
4. We aim to help manufacturing industries globalise their productions; this has the purpose of enabling Malaysian talents all over the world to showcase their abilities.
5. The creation of mass serving industry job opportunities for the non-Chinese will help to reduce corruption and crime.
6. By exploring business opportunities and reducing the number of civil servants, the government can provide better wages and conditions to boost the quality and productivity of civil servants.

Mapping 10 Economic Strategic Directions



In the early days of Independence, Malaya was still a poor agro-based country. But now, high-speed industrialisation and urbanisation have propelled Malaysia into a middle-high income economy with industries and services as its twin engines for growth.

The 21st century is an era of globalisation, urbanisation and is information-oriented. We have witnessed the growth of cities and the rise of the middle class,

and the arrival of an information and digital-oriented society; Economically, we have moved from manufacturing to service industries, and all of these have completely changed the economic development of today and of the future.

This new era will decide the future and fate of the Chinese community as a whole. We need to find our position. And also, we need a clear roadmap on economic strategic directions.

As a component party of the Barisan Nasional Government, MCA is committed to creating a better future for the Chinese Community.

10 Economic Strategic Directions - Representing the Past, Present and Future of the Chinese Community

The 10 Economic Strategic Directions represent the past, present and future of the Chinese community in Malaysia. Agriculture, wood-based products, hawkers and small traders, tourism and logistics, and others have always been the foundation of the Chinese economy. It will remain so for the future. The difference is, we need to look for new directions and bring new hopes to the above industries.

Thus, taking all these into consideration, MCA established 10 Focus Groups, bringing together professionals and experts in the related fields, to have a syn-

thesis of the best ideas in order to formulate the 10 Economic Strategic Directions, which include:

- ✓ Modern Agriculture
- ✓ Neo-Urbanisation
- ✓ "One Belt, One Road (OBOR)" Initiatives
- ✓ Technical and Vocational Education and Training (TVET)
- ✓ Wood-based Industry
- ✓ Small Traders
- ✓ Tourism
- ✓ Information Technology
- ✓ Logistics
- ✓ Finance

To Become Part of the National Mainstream Development Policy

Held on 5 September 2015, the "Mapping 10 Economic Strategic Directions" Conference concluded the efforts of the 10 Focus Groups over the past one year. We will capitalise on MCA's influence in the government and endeavour to get the plans and suggestions under the

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roadmap into the mainstream of national development to benefit all Malaysians. The final outcome of the Conference will be MCA's future direction and bringing hopes for a better future to the Chinese community and the nation. From now on, MCA will shoulder the burden and lead the 10 Focus Groups to march towards the new directions set forth.

The Final Outcome of the 10 Focus Groups

• Modern Agriculture

MCA Youth established Kopera-si Petani Muda Malaysia (KPMM) as the core project for MCA's Focus Group on Modern Agri-

culture. We assist farmers to apply for farming land in BN-ruled state governments. We also bring in foreign technology, introduce professional management concepts and open up overseas markets. All these aim to encourage and enable youths to venture into modern farming methods and make a living out of a 'green career'.

• Neo-Urbanisation

Under the Neo-Urbanisation plan, we have earmarked specific tier-2 and tier-3 towns and New Villages for a series of development projects in order to create economic development and employment opportunities for sub-urban and rural areas.



For a start, we have earmarked a few MCA constituencies as experimental points, including Bentong in Pahang, Nilai in Negeri Sembilan, Bemban in Malacca, Tanjong Piai and Yong Peng in Johor and others. These experimental programmes will bring the new ingredients to re-live such areas.

• “One Belt, One Road (OBOR)” Initiatives

As for OBOR, MCA and the China Economic Co-operation Centre (CECC) had jointly organised an ‘OBOR: China-Malaysia Business Dialogue’ in Beijing on 15 July 2015, to enhance bilateral communication between businesses of the two nations and to

lead the way for our small and medium enterprises to venture overseas, through party-to-party co-operation.

• **Wood-based Industry**

Under the initiative of MCA Deputy Secretary-General Datuk Wee Jock Seng, who is also the Malaysian Timber Council Chairman, the National Furniture Association formulated a 5-year transformation plan to turn the so-called ‘sunset industry’ into a ‘sunrise industry’.

• **Small Traders**

We will provide young business starters a low entry-point platform. For example, in the Bentong constituency of Dato’ Sri Liow Tiong Lai, there is a group of ambitious youngsters working on rejuvenating an old street and transforming it into a highly creative cultural street, which can add new colours to the society concerned.



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• Tourism

We will talk with China Southern Airlines on possible direct flights from Guangdong to Malacca and creation of the region's largest private cruise ship terminal in Malacca and others to prove our seriousness and commitment. MCA will capitalise on our relationship with China.

• Logistics

The tabling of the Logistics and Ease of Trade Blueprint has set a broad direction for local logistics players. The Transportation and Logistics Focus Group under MCA will combine forces with the government and private sector alike to create high quality logistics services in the hope of churning out more and more micro-Ali Babas locally.

• Technical and Vocational Education and Training (TVET)

We renamed Institut Kojadi as Institut VTAR with a vision to

transform it into a top vocational institution.

• Information Technology

We will launch the MCA Digitisation 1.0 to shorten the distance between people and re-establish our relationship with the younger generation through the use of digital technology and social media.

• Finance

The Secretariat for the Advancement of Malaysian Entrepreneurs (SAME) under the leadership of MCA Deputy President and Minister at the Prime Minister's Department Datuk Dr Ir Wee Ka Siong is consolidating resources from government departments to help resolve problems faced by small and medium enterprises, especially with regard to financing.



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