

Cannery to shut down second factory

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JOHORE BARU, Thursday.

THE Pineapple Cannery of Malaysia's (PCM) second factory at Pulau Sebatang in Pontian, 45 miles from here, will be closed on April 1.

It was operating at a loss, Deputy Prime Minister Dr. Mahathir Mohamed, who is also chairman of Food Industries of Malaysia (Fima) said today.

Speaking to about 300 workers at PCM's first factory at Pekan Nenas, Dr. Mahathir said he had given careful consideration to the matter and found there was no choice but to close down the factory, which was opened in 1972.

Last year the Pekan Nenas factory made a profit of \$500,000 but the Pulau Sebatang cannery incurred a loss of \$1.2 million. On balance, PCM suffered a loss of \$700,000.

\$10m loss

He said most of the dally-rated workers from the Pulau Sebatang cannery had found jobs. Although the cannery was temporarily closed over the last few months the workers were given an allowance.

He said about 41 monthly paid staff were still without jobs. "We are planning new arrangements, and I am confident that the PCM will be able to make profits this year and the workers will get a bonus," he said.

"I call on the workers and the management to co-operate with each other to ensure the success of the PCM cannery."

At a meeting with executive members of the Pontian Umno division, Dr. Mahathir said PCM lost more than \$10 million in the first two early years of operations.