

MAHATHIR

77 (P)
KUALA LUMPUR, JULY 27 (BERNAMA) - DEPUTY PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD TODAY STRESSED THE IMPORTANCE OF INDUSTRIAL HARMONY FOR EFFICIENCY AND ECONOMIC GROWTH.

HE SAID RECENT QUESTIONS OF COMPENSATION AND CONDITIONS OF WORK HAD RAISED DOUBTS ON WHETHER THE TRADITIONAL RECORD OF GOOD INDUSTRIAL RELATIONS WOULD BE MAINTAINED IN THIS COUNTRY.

HE ADDED: +IT IS THE GOVERNMENT'S POLICY TO ENCOURAGE THE DEVELOPMENT OF SOUND INDUSTRIAL RELATIONS WHERE LABOUR AND MANAGEMENT CAN MEET AMICABLY AND RESOLVE ISSUES THROUGH CONSULTATION, BEING GUIDED BY THEIR BASIC PREMISES.

FIRSTLY, HE SAID IT WAS ONLY EQUITABLE THAT EMPLOYEES ARE ADEQUATELY COMPENSATED FOR THEIR WORK SINCE IT WAS THROUGH SUCH COMPENSATION THAT THEY COULD SHARE IN THE BENEFITS OF THE NATION'S ECONOMIC PROGRESS.

SECONDLY, UNDER A FREE ENTERPRISE SYSTEM BUSINESS INVESTMENT AND EXPANSION AND JOB CREATION IN THE PRIVATE SECTOR ARE VITALLY DEPENDENT ON INCENTIVES. -- BERNAMA MORE 2125/LK

MAHATHIR 2 KUALA LUMPUR

HE SAID: +THE WORKING OF OUR SYSTEM WHICH IS BASICALLY A FREE ENTERPRISE ECONOMY, WILL BE SERIOUSLY JEOPARDISED IF BUSINESSMEN NO LONGER FIND IT WORTHWHILE TO INVEST AND OPERATE HERE.

+IN THIS CASE, NOT ONLY THE EMPLOYEES BUT ALSO THE ENTIRE NATION WILL SUFFER.

+RESPONSIBLE LABOUR AND MANAGEMENT THEREFORE IMPLIES THAT ONE PARTY FULLY UNDERSTANDS THE OTHER'S POSITION AND IS PREPARED TO ACCOMMODATE EACH OTHER.

+INDUSTRIAL RELATIONS SHOULD NEVER BE BASED ON THE RELATIVE CAPACITIES OF THE EMPLOYERS AND EMPLOYEES TO DAMAGE EACH OTHER THROUGH INDUSTRIAL ACTION.+

DATUK SERI DR. MAHATHIR WAS SPEAKING AT THE SIGNING OF AN AGREEMENT UNDER WHICH KUMPULAN FIMA BOUGHT OVER 30 PER CENT OF SUPERMARKETS MARKET BERHAD'S ISSUED CAPITAL FROM COLD STORAGE HOLDINGS.

HE POINTED OUT THAT DESPITE DOUBTS EXPRESSED BY SOME, THE PRIVATE SECTOR, WAS ALREADY BENEFITTING FROM THE BUOYANCY IN THE ECONOMY.

HE SAID THAT PARTLY AIDED BY THE HIGHER INCOMES, CONSUMER CONFIDENCE HAD BEEN RISING, RESULTING IN A SUSTAINED EXPANSION IN CONSUMPTION EXPENDITURE. -- BERNAMA MORE 1928/LK

MAHATHIR 3 KUALA LUMPUR

HE SAID +THIS EXPANDING DOMESTIC DEMAND CERTAINLY AUGURS WELL FOR FURTHER INVESTMENT AND EXPANSION SINCE IT ENABLES COMPANIES TO INCREASE THEIR PRODUCTION.+

HE SAID HE WAS TOLD THAT MANY COMPANIES HAD USED UP MOST OF THE EXCESS CAPACITIES WHICH RESULTED FROM THE SLOWDOWN IN 1975 AND HAD NOW REACHED THE CRITICAL STAGE OF HAVING TO EXPAND THEIR CAPACITIES IF THEY WERE NOT TO MISS THE EXPANDING MARKET OPPORTUNITIES GENERATED BY RISING INCOME AND THE STANDARD OF LIVING.

DR. MAHATHIR POINTED OUT HOWEVER, WITH THE EXPANDING DOMESTIC DEMAND AND THE ACCELERATION IN THE INFLATION RATE IN THE MAJOR COUNTRIES FROM WHICH MALAYSIA IMPORT MOST OF ITS GOODS, THE GENERAL LEVEL OF THE CONSUMER PRICE INDEX SO FAR THIS YEAR HAD RISEN BY ABOUT FOUR PER CENT COMPARED WITH THE SAME PERIOD LAST YEAR.

+THIS IS CERTAINLY A MATTER OF CONCERN TO US ALTHOUGH TO MANY COUNTRIES SUCH AN INFLATION RATE IN FACT IS A CREDITABLE PERFORMANCE,+ HE ADDED.

+FOR MALAYSIA WHICH HAS BEEN USED TO PRICE STABILITY, IT IS NOT SURPRISING THAT WE HAVE AND WILL CONTINUE TO USE ALL THE INSTRUMENTS AT OUR DISPOSAL TO FIGHT INFLATION IF IT SHOWS SIGNS OF BECOMING SERIOUS.+ -- BERNAMA MORE 2133/LK

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MAHATHIR 4 KUALA LUMPUR

THE PURCHASE OF THE 7.2 MILLION SHARES AT \$1 EACH WAS A RESULT OF A YEAR'S NEGOTIATIONS.

UNDER THE NEW ARRANGEMENT, SUPERMARKETS MALAYSIA BERHAD WILL BE RENAMED FIMA-PASARAYA BERHAD.

DR. MAHATHIR, WHO IS CHAIRMAN OF FIMA, AND ENCIK PAMLI KUSHAIRI, MANAGING DIRECTOR OF FIMA, SIGNED ON BEHALF OF THE CORPORATION WHILE COLD STORAGE HOLDINGS CHAIRMAN, ENCIK S.P. PAKER AND DEPUTY CHAIRMAN ENCIK M.V. QUIE, SIGNED FOR THE SELLING PARTY.
--BERNAMA 2135/LK