

78
KUALA LUMPUR, APRIL 5 (BERNAMA) -- DATUK SERI DR. MAHATHIR MOHAMAD REJECTED TODAY A SUGGESTION THAT THE GOVERNMENT TAKE OVER MAJOR BUSINESSES AND HAND THEM OVER TO BUMIPUTRAS AT A FUTURE DATE.

THE DEPUTY PRIME MINISTER, WHO IS ALSO TRADE AND INDUSTRY MINISTER, SAID SUCH A MOVE WAS CERTAINLY FAVOURED BY EXTREMIST AND SOCIALISTS.

+UNFORTUNATELY, WE HAVE FOUND THAT ANY COUNTRY WHICH CHOSE THIS SEEMINGLY EASY PATH DISCOVERED THAT THE RESULTS WERE FAR FROM WHAT WAS EXPECTED, + HE SAID.

THE SUGGESTION THAT MAJOR BUSINESSES IN MINING, CONSTRUCTION, MANUFACTURING, WHOLESALING AND DISTRIBUTION WAS MADE BY THE PAS MEMBER FOR KUALA KRAI, ENCIK ZAHARI AWANG, DURING THE DEBATE ON THE TIMBALAN YANG DIPERTUAN AGUNG'S ADDRESS.

DATUK SERI DR. MAHATHIR SAID INDUSTRIES THAT WERE TAKEN OVER USUALLY BECAME BANKRUPT AND, CONSEQUENTLY, +USEFUL TO NO ONE. + -- BERNAMA MORE 1742/A1

PARLIAMENT-MAHATHIR 2 KUALA LUMPUR

DATUK SERI DR. MAHATHIR SAID MANY GOVERNMENT-OWNED BUSINESSES HAD FAILED IN THE PAST.

ONE THING WAS CLEAR FROM THOSE EXPERIENCES -- THAT THE OWNING OF BUSINESSES AND INDUSTRIES WAS NOT NECESSARILY TO THE GOOD OF THE ECONOMY, HE SAID.

WHAT WAS VITAL, HE ASSERTED, WAS CAPABLE MANAGEMENT. ~~NOMTBEPEVCEC~~ WOULD BRING ADVERSE EFFECTS TO THE NATION AND BUMIPUTRAS IF IMPLEMENTED UNDER A SOCIALIST SYSTEM, HE SAID.

THE GOVERNMENT, HE SAID, WAS CONVINCED THAT THE PRESENT PRACTICE -- DIVISION OF THE GROWING ECONOMIC CAKE -- WOULD BE MORE EFFECTIVE IN ACHIEVING THE OBJECTIVES OF THE NEW ECONOMIC POLICY. 22

ON THE INDUSTRIAL COORDINATION ACT, DATUK SERI DR. MAHATHIR ASSURED THAT IT WOULD BE ENFORCED IN AS FLEXIBLE A MANNER AS POSSIBLE SO THAT MANUFACTURERS WOULD NOT BE PENALISED IN THE EVENT THEY WERE UNABLE TO MEET CONDITIONS DUE TO UNAVOIDABLE REASONS. -- BERNAMA MORE 1818/A1

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PARLIAMENT-MAHATHIR 3 KUALA LUMPUR

DATUK SERI DR. MAHATHIR DESCRIBED THE ACT AS VERY IMPORTANT FOR INDUSTRIAL DEVELOPMENT IN THE COUNTRY.

HE SAID THE GOVERNMENT WAS AWARE OF THE ANXIETY OF THE PRIVATE SECTOR REGARDING THE IMPLEMENTATION OF THE ACT.

SEVERAL STEPS HAD BEEN TAKEN, INCLUDING AMENDING SEVERAL PROVISIONS, TO ALLAY SUCH FEARS AND ENSURE THAT THE IMPLEMENTATION OF THE ACT WOULD NOT GIVE RISE TO A SITUATION THAT COULD JEOPARDISE THE GOVERNMENT'S EFFORTS TO STIMULATE LOCAL AND FOREIGN INVESTMENT IN THE COUNTRY.

DATUK SERI DR. MAHATHIR INVITED MANUFACTURERS WHO HAD PROBLEMS AS A RESULT OF THE IMPLEMENTATION OF THE ACT TO SEE MINISTRY OFFICIALS OR HIM SO THAT AN AMICABLE SETTLEMENT COULD BE REACHED.

HE SAID THAT ALTHOUGH NUMEROUS CRITICISMS HAD BEEN DIRECTED AT THE ACT, NO BUSINESS OR INDUSTRY HAD FAILED SOLELY BECAUSE OF THE ACT.

+AS SUCH, SUSPICION LEVELLED AT THE ACT HAS NO BASIS AT ALL. + HE SAID. -- BERNAMA MORE 1625/A1

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PARLIAMENT-MAHATHIR 4 KUALA LUMPUR

THE GOVERNMENT PROPOSED TO INTRODUCE SOON SEVERAL MEASURES SUCH AS +PACKAGE DEAL APPROVAL+ AND THE SETTING UP OF A +ONE-STOP AGENCY+ TO REDUCE RED TAPE TO A MINIMUM FOR THE CONVENIENCE OF INVESTORS.

DATUK SERI DR. MAHATHIR BELIEVED THAT WITH THE STEPS TAKEN AND THOSE TO BE TAKEN, THE MAJORITY OF THOSE IN THE PRIVATE SECTOR -- BE THEY LOCAL OR FOREIGN INVESTORS -- HAD RECEIVED THE ACT WELL.

THE GOVERNMENT WAS SATISFIED WITH THE RESPONSE OF MANUFACTURERS TOWARD THE ACT SO FAR, HE SAID.

DATUK SERI DR. MAHATHIR ALSO ASSURED THAT IN KEEPING WITH PAST PRACTICE HIS MINISTRY WOULD CONSULT THE PRIVATE SECTOR IF THE GOVERNMENT FELT IT WAS NECESSARY TO AMEND THE ACT. -- BERNAMA MORE 1827/A1

PARLIAMENT-MAHATHIR 5 KUALA LUMPUR

DATUK SERI DR. MAHATHIR SAID THE ACT DID NOT HINDER THE EFFORT TO ATTRACT MORE FOREIGN INVESTMENTS TO MALAYSIA.

IN FACT, DURING HIS VISIT TO THE UNITED STATES RECENTLY, HE FOUND THAT THE ACT DID NOT POSE ANY PROBLEMS FOR INVESTORS THERE.

+THE AMERICAN INVESTOR IS THOROUGHLY FAMILIAR WITH SUCH PROBLEMS BECAUSE HE, TOO, IS URGED TO RESTRUCTURE INDUSTRY BY TAKING IN MORE WORKERS BASED ON RACIAL AND SEXUAL CONSIDERATIONS SO AS TO REFLECT THE SITUATION IN HIS COUNTRY.+

IT WAS THE SAME WITH INVESTORS IN OTHER COUNTRIES WHO HAD HELD DISCUSSIONS WITH HIM, HE SAID. -- BERNAMA MORE 1830/A1

PARLIAMENT-MAHATHIR 7 KUALA LUMPUR

FIDA WOULD ESTABLISH A REGIONAL OFFICE IN JOHORE BAHRU AND A NEW CENTRE EACH IN SINGAPORE, HONG KONG AND TORONTO THIS YEAR.

DATUK SERI DR. MAHATHIR SAID HIS MINISTRY, THROUGH FIDA, ALSO CARRIED OUT STUDIES TO HELP MALAYSIAN INVESTORS DETERMINE A PROJECT'S VIABILITY.

FIDA ALSO HAD A REGISTER OF POTENTIAL INVESTORS WHO WOULD SET UP JOINT VENTURES WITH LOCAL OR FOREIGN PARTNERS. -- BERNAMA 1855/A1

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PARLIAMENT-MAHATHIR 6 KUALA LUMPUR

DATUK SERI DR. MAHATHIR SAID THESE STEPS INCLUDED THE CONVENING OF INVESTMENT SEMINARS FOR LOCAL AND FOREIGN INVESTORS.

THE FEDERAL INDUSTRIAL DEVELOPMENT AUTHORITY (FIDA) ALSO PLANNED TO SEND SPECIFIC MISSIONS OVERSEAS TO HOLD TALKS WITH CERTAIN MANUFACTURERS IN DEVELOPED COUNTRIES ON THE POSSIBILITY OF INVESTING IN AGRO-, TIMBER- AND RUBBER-BASED INDUSTRIES.

THIS YEAR, FIDA INTENDED TO SEND SUCH MISSIONS TO THE U.S., JAPAN, EUROPE AND SCANDINAVIA.

FIDA HAD ALSO OPENED OFFICES IN AND OUTSIDE THE COUNTRY TO STIMULATE INVESTMENT.

IN MALAYSIA, THE OFFICES WERE IN ALOR STAR, KUCHING, Kuantan, KOTA KINABALU, KOTA BHARU AND IPOH.

OFFICES SET UP OVERSEAS WERE IN DUSSELDORF, PARIS, LONDON, NEW YORK, SAN FRANCISCO, TOKYO AND SYDNEY. -- BERNAMA MORE