

MAHATHIR 金'金'金'

FROM K. BALASUBRAMANIAM

SINGAPORE, NOV. 23 (BERNAMA) — THE MALAYSIAN GOVERNMENT IS CONSTANTLY REVIEWING ITS PROGRAMME FOR THE DEVELOPMENT OF SMALL SCALE INDUSTRIES TO INCREASE ITS EFFECTIVENESS, DEPUTY PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD SAID HERE TODAY.

THE GOVERNMENT WAS CURRENTLY EXAMINING TWO POSSIBILITIES TO DETERMINE WHICH WAS BEST SUITED TO THE NEEDS OF THE SMALL BUSINESSMEN IN MALAYSIA, HE SAID.

THEY WERE THE FORMATION OF A SINGLE AGENCY TO DEAL WITH THE PROMOTION AND DEVELOPMENT OF THE SMALL-SCALE INDUSTRY SECTORS OR THE EXPANSION AND STRENGTHENING OF THE PRESENT COORDINATING COUNCIL WHICH HAD BEEN SET UP FOR THIS PURPOSE.

DATUK SERI DR. MAHATHIR, WHO IS ALSO TRADE AND INDUSTRY MINISTER, WAS SPEAKING ON +SMALL INDUSTRIES IN THE MALAYSIAN CONTEXT+ AT THE FOUR-DAY SEMINAR ON THE ROLE OF SMALL INDUSTRIES IN THE ASEAN NATIONAL ECONOMIES ORGANISED BY CONBPINMDBM PRIVATE LIMITED.

THE SEMINAR WHICH ENDS ONIGHT HAS DRAWN MORE THAN 100 PARTICIPANTS FROM ASEAN COUNTRIES, INCLUDING 40 FROM MALAYSIA.

OUTLINING SOME OF THE ACHIEVEMENTS OF THE PRESENT COUNCIL WHICH COMPRISED VARIOUS GOVERNMENT AGENCIES, DATUK SERI DR. MAHATHIR DISCLOSED THAT A PROJECT ON THE ESTABLISHMENT OF A TECHNOLOGY TRANSFER CENTRE WAS UNDERTAKEN IN CONJUNCTION WITH A CONSULTING FIRM FROM GERMANY.

+ARISING OUT OF THE FEASIBILITY STUDY, THE GOVERNMENT HAS AGREED TO ESTABLISH A COORDINATION COUNCIL FOR THE TRANSFER OF TECHNOLOGY,+ HE ADDED. -- BERNAMA MORE 1510/SZ

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THE DEPUTY PRIME MINISTER SAID ACCORDING TO THE CENSUS OF MANUFACTURING INDUSTRIES, THE SMALL SCALE INDUSTRIAL ESTABLISHMENT BASED ON 24 EMPLOYEES AND BELOW CONSTITUTED APPROXIMATELY 8,900 OUT OF A TOTAL OF 11,060 INDUSTRIAL ESTABLISHMENTS IN THE COUNTRY.

IN ABSOLUTE TERMS THEIR CONTRIBUTIONS TO VALUE ADDED, FULL TIME EMPLOYMENT AND GROSS SALES WAS ABOUT \$219 MILLION OUT OF \$2,327 MILLION, 35,000 OUT OF 269,000 IN EMPLOYMENT AND \$865 MILLION OUT \$7,678 MILLION RESPECTIVELY.

IN TERMS OF PERCENTAGE ALTHOUGH THE SMALL SCALE INDUSTRIES FORMED 80 PERCENT OF THE TOTAL INDUSTRIAL ESTABLISHMENT, THEIR CONTRIBUTION TO THE ECONOMY IN TERMS OF VALUE ADDED WAS ONLY 2.4 PER CENT WHILE IN TERMS OF FULL EMPLOYMENT AND GROSS SALES IT WAS 13 PER CENT AND 11.2 PER CENT RESPECTIVELY.

HE DESCRIBED THIS AS A FAIR CONTRIBUTION CONSIDERING THE CAPITAL INVOLVED WAS LESS THAN 10 PER CENT OF THE TOTAL.

THE GOVERNMENT, HE SAID, RECOGNISED THE IMPORTANT ROLE OF THE INDUSTRIES IN THE ECONOMY AND HAD CREATED THE ORGANISATIONAL FACILITIES REQUIRED FOR PROVIDING INTEGRATED SERVICES FOR THE PROMOTION AND MODERNISATION OF THIS SECTOR.

— BERNAMA MORE 1600/SZ

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LATER, DURING QUESTION-TIME, DR. MAHATHIR ALSO DISCLOSED THAT THE GOVERNMENT WAS IN THE PROCESS OF SETTING UP AN AGENCY FOR THE MARKETING OF BATIK OVERSEAS.

HE POINTED OUT THAT PRESENTLY SMALL SCALE BATIK MANUFACTURERS WERE SIMPLY UNABLE TO COPE WITH THE COMPLEXITIES OF ORDERS FROM OVERSEAS ESPECIALLY THE UNITED STATES, LIKE THE SHIPMENT OF LARGE QUANTITY OF REQUIRED AT ANY ONE TIME, APART FROM THE STANDARD BATIK COLOURS.

DURING HIS ADDRESS, HE TOLD THE PARTICIPANTS VARIOUS ASPECTS OF SMALL INDUSTRIES IN THE MALAYSIAN CONTEXT AND, THE EFFORTS UNDERTAKEN BY THE GOVERNMENT.

THEY INCLUDED THE IMPORTANT ROLE BEING PLAYED BY THEM, THEIR RELATIONS TO THE NEW ECONOMIC POLICY AND THE VARIOUS PROBLEMS FACED BY THESE SMALL INDUSTRIES.

HE SAID THOUGH IT WAS DIFFICULT TO DEFINE A SMALL SCALE INDUSTRY IN THE PAST IT WAS CONSIDERED AS AN INDUSTRIAL UNIT WITH A TOTAL CAPITAL INVESTMENT OF NOT MORE THAN \$250,000, IN LAND-BUILDING-PLANT, MACHINERY AND EQUIPMENT, OR WITH AN EMPLOYMENT OF LESS THAN 25 PAID FULL TIME EMPLOYEES. — BERNAMA MORE 1603/SZ

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HE SAID IN VIEW OF THE POTENTIAL THAT EXISTED FOR THE DEVELOPMENT OF SMALL INDUSTRIES AND GOVERNMENT SUPPORT FOR THE PURPOSE, HE ANTICIPATED THAT THE SECTOR WOULD ACHIEVE AN ORDERLY AND RAPID PROGRESS IN FUTURE.

HOWEVER, HE CAUTIONED WHILE SMALL SCALE INDUSTRIES DESERVED TO BE PROMOTED, THEY SHOULD BE SEEN AS AN END IN ITSELF.

THEY MUST BE REGARDED AS A COMPLIMENTARY PART OF THE WHOLE INDUSTRIAL DEVELOPMENT AND SHOULD BE PROMOTED BECAUSE THEY FORMED A PART OF THE COMPLEX OF INDUSTRIES IN AN INDUSTRIALISED NATION.

IN MANY AREAS, THEY MUST BE CONTENT WITH SERVICING THE BIG INDUSTRIES WHILE IN OTHERS, THEIR SMALL SCALE NATURE MUST BE ACCEPTED AS A PHASE TO BECOMING LARGE SCALE. — BERNAMA