

MAHATHIR

7c1 (P)
SUNGEI BULOH, SEPT 11 (BERNAMA) — DEPUTY PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TODAY DISPELLED THE FALLACY THAT IT IS DIFFICULT TO INCORPORATE PARTS INTO LOCALLY ASSEMBLED VEHICLES IN VIEW OF THE MULTIPLE NUMBER OF MAKES AND MODELS.

HE SAID: +WE HAVE ADOPTED A MODERATE APPROACH IN IMPLEMENTING OUR LOCAL CONTENT POLICY BY WAY OF MANDATORY DELETION AND THE NEED TO COMPLY WITH THE GUIDELINES ANNOUNCED RECENTLY.+

DATUK SERI DR MAHATHIR, WHO IS ALSO THE MINISTER OF TRADE AND INDUSTRY, SAID: +THOUGH I HAVE STATED THAT WE WOULD EMBARK ON AN ACCELERATED PROGRAMME OF LOCALISATION OF PARTS, OUR PREMISE WILL STILL BE ON A STEP-BY-STEP BASIS, TAKING INTO CONSIDERATION STABILITY AND PROGRESSIVE GROWTH OF THE MOTOR VEHICLE ASSEMBLY INDUSTRY IN THIS COUNTRY.+

THE DEPUTY PRIME MINISTER, WHO WAS SPEAKING AT THE OPENING OF THE MALAYSIAN SHEET GLASS BERHAD HERE, SAID HE HAD NOTED THAT THE REACTION OF THE PRIVATE SECTOR HAD BEEN FAVOURABLE FOLLOWING HIS RECENT ANNOUNCEMENT ON THE ACCELERATED PROGRAMME OF LOCALISATION OF PART FOR THE MOTOR INDUSTRY.

THE CAR PARTS MANUFACTURERS HAD SET UP A COMMITTEE ON LOCAL CONTENT, WHICH WOULD INVESTIGATE THE WAYS OF INCREASING THE USE OF LOCAL COMPONENTS IN THE ASSEMBLY PLANTS. — BERNAMA MORE 1408/A1

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THE GOVERNMENT, HAD APPROVED 120 COMPANIES TO MANUFACTURE VARIOUS AUTOMATIVE PARTS AND OF THESE, 75 WERE ALREADY IN PRODUCTION.

DATUK SERI DR MAHATHIR ALSO REITERATED THAT THE GOVERNMENT UNDERTOOK A SERIES OF CONSULTATIONS WITH THE PRIVATE SECTOR BEFORE DECIDING ON THE PROGRAMME.

+I WOULD LIKE TO ASSURE THOSE CONCERNED THAT FOR FUTURE MANDATORY DELETION OF ANY COMPONENT PARTS, THE GOVERNMENT WILL CONTINUE TO ADOPT THIS APPROACH WHICH, I BELIEVE, IS PRAGMATIC AND FAIR TO ALL PARTIES CONCERNED.+

ON AUTOMATIVE SAFETY GLASS IN PARTICULAR, HE CLARIFIED THAT THE ITEM WOULD BE DELETED FROM FUTURE CKD (COMPLETELY KNOCK DOWN) PACKS WITH A LEAD-TIME OF NINE MONTHS FROM JULY 23, 1979, EFFECTIVE FROM APRIL 23, 1980.

THE MANDATORY CKD DELETION PROCEDURES OF AUTOMATIVE SAFETY GLASS WOULD BE BASED ON THE 80 PER CENT CENTRAL LIST OF 1978 AND EXEMPTION MIGHT BE GRANTED TO THE REMAINING MODELS NOT WITHIN THE CENTRAL LIST.

HOWEVER, THE 20 PER CENT MINORITY MODELS EXEMPTED FROM THE MANDATORY CKD DELETION WOULD BE SUBJECT TO A SPARE PART IMPORT DUTY BEING LEVIED ON THE AUTOMATIVE SAFETY GLASS SO IMPORTED, HE SAID. — BERNAMA MORE 1412/A1

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ON THE MANUFACTURING INDUSTRY, THE DEPUTY PRIME MINISTER SAID THEY FACED THE BASIC PROBLEM OF HOW TO REDUCE OR MAINTAIN COST OF PRODUCTION IN A WORLD OF INFLATIONARY TRENDS, EXACERBATED BY THE ENERGY CRISIS AND THE CONTINUOUS INCREASE IN PRICES OF IMPORTED RAW MATERIALS.

HOWEVER, HE BELIEVED THAT SUCH A PROBLEM WAS NOT INSURMOUNTABLE.

+WHAT IS REQUIRED IS RESOURCEFULNESS IN CONSISTENTLY MAKING QUICK ADJUSTMENTS TO NEW COST SITUATIONS THROUGH REAPPRAISALS OF COSTINGS AND THE NEED TO HAVE CRITICISMS AND SUGGESTIONS FROM MANAGEMENT AND WORKERS ON HOW TO MINIMISE COSTS AS WELL AS TO IMPROVE PRODUCTION EFFICIENCY, TO INCREASE THE PRODUCTIVITY PER WORKER AND TO ACHIEVE AN OPTIMUM LEVEL OF PRODUCTION, + HE SAID.

THE MALAYSIAN SHEET GLASS BERHAD WAS SET UP IN 1973 AS A \$60 MILLION JOINT VENTURE PROJECT BETWEEN THE NIPPON SHEET GLASS COMPANY LIMITED AND ITS LOCAL PARTNERS, KUMPULAN PERANGSANG SELANGOR, SYARIKAT PERMODALAN PERUSAHAAN PERAK AND SENDIRI INVESTMENT SENDIRIAN BERHAD. —
BERNAMA 1415/A1