

KUALA LUMPUR, APRIL 28 (BERNAMA) — THE GOVERNMENT HAS MADE A CAREFUL AND INTENSIVE STUDY ON THE NEED TO DEVELOP LOCAL CAPABILITY TO MANUFACTURE AUTOMOTIVE COMPONENTS AND PARTS FOR THE ORIGINAL EQUIPMENT MARKET.

DEPUTY PRIME MINISTER, DATUK SERI DR. MAHATHIR MOHAMAD, SAID TONIGHT THAT THE DEVELOPMENT OF SUCH LOCAL CAPABILITY WOULD CERTAINLY COMPLEMENT THE GOVERNMENT'S EFFORTS TO INCREASE THE MOMENTUM OF INDUSTRIALISATION IN THE COUNTRY.

WHILE PURSUING THIS OBJECTIVE, HE SAID, THE GOVERNMENT HOPED TO SEE GREATER INVESTMENT FROM DOMESTIC AND FOREIGN SOURCES FOR THE ACQUISITION OF SOPHISTICATED COMPONENTS AND PARTS TECHNOLOGY AND THE OPENING OF GREATER EMPLOYMENT OPPORTUNITIES FOR THE PEOPLE.

DATUK SERI DR. MAHATHIR WAS SPEAKING AT THE FIRST ANNUAL DINNER OF THE MALAYSIAN AUTOMOTIVE COMPONENT PARTS MANUFACTURERS' HERE TONIGHT. — BERNAMA MORE 2239/A1

N132:

MAHATHIR-AUTOMOTIVE 2 KUALA LUMPUR

HE SAID THE GOVERNMENT WAS OF THE VIEW THAT THE MOMENT WAS NOT YET RIPE FOR A FULL SCALE LOCAL CONTENT PROGRAMME, AFTER CAREFULLY STUDYING THE ASSEMBLY INDUSTRY OF FOUR-WHEELER VEHICLES IN WHICH THERE WAS A VARIETY OF MAKES AND MODELS.

HOWEVER, DATUK SERI DR. MAHATHIR POINTED OUT THAT EVERY EFFORT WOULD BE MADE TO IDENTIFY THOSE PARTS, WHICH WERE COMMON TO A NUMBER OF MAKES AND MODELS.

+AND ONCE THESE ARE LOCALLY MANUFACTURED, MANDATORY DELETION FROM COMPLETELY-KNOCKED DOWN (CKD) PACKS WILL BE REQUIRED,+ HE ADDED.

IN THE CASE OF THE MOTORISED TWO-WHEELERS, HE SAID, THE GOVERNMENT WAS CONVINCED THAT IT WAS NOW JUSTIFIABLE AND PRACTICAL TO DRAW UP FIRST A LOCAL CONTENT PROGRAMME FOR THEM.

THIS, HE SAID, WAS BECAUSE OF THE COMPARATIVELY LIMITED NUMBER OF MAKES AND MODELS AND SUFFICIENTLY LARGE VOLUME OF UNITS ASSEMBLED. — BERNAMA MORE 2243/A1

N133: (F)

MAHATHIR 3 KUALA LUMPUR

THERE ARE PRESENTLY ONLY FOUR MAKES AND 16 MODELS WITH A TOTAL VOLUME OF 113,900 UNITS ASSEMBLED LAST YEAR.

THE GOVERNMENT HAD ALREADY DRAFTED THE PROGRAMME, WHICH WERE SUBMITTED TO THE MOTORCYCLES AND SCOOTERS ASSEMBLERS ASSOCIATION OF MALAYSIA (MASAAM) AND THE ASSOCIATION FOR COMMENTS.

DATUK SERI DR. MAHATHIR CLARIFIED THAT THE INTRODUCTION OF THE LOCAL CONTENT PROGRAMME IN MALAYSIA WOULD NOT NECESSARILY RESULT IN CHEAPER PRICED CARS OR MOTORCYCLES TO THE CONSUMERS.

+ON THE CONTRARY, WE SHOULD EXPECT SLIGHTLY HIGHER PRICED VEHICLES AS A RESULT OF INDIGENIZATION OF PARTS,+ HE ADDED.

HOWEVER, HE SAID, THE GOVERNMENT WAS DETERMINED TO SEE THAT WHATEVER INCREASE IN THE PRICE OF MOTORCYCLES SHOULD BE KEPT TO THE MINIMUM LEVEL POSSIBLE.

HE FELT THAT ASEAN COUNTRIES SHOULD UNDERTAKE A CERTAIN AMOUNT OF SPECIFICATION IN AUTOMOTIVE COMPONENTS AND PARTS MANUFACTURING FOR COMPLEMENTATION. — BERNAMA 2305/A1