

MAHATHIR-SEMINAR

81 (P)
KUALA LUMPUR, JUNE 1 (BERNAMA) — DATUK SERI DR. MAHATHIR MOHAMAD TODAY CALLED FOR LONG-TERM STRUCTURAL ADJUSTMENT TO THE MALAYSIAN ECONOMY TO INSULATE IT FROM UNFAVOURABLE INTERNATIONAL ECONOMIC TRENDS.

THE DEPUTY PRIME MINISTER SAID THAT CONTINUING HIGH INFLATION AND LOW GROWTH IN THE INTERNATIONAL ECONOMIC FRONT PLACED A CONSTRAINT ON EXPANSION OF THE NATIONAL ECONOMY, ESPECIALLY ON IMPORTS.

+WHILE THE GOVERNMENT WILL CONTINUE TO USE MACRO-ECONOMY POLICIES TO STABILISE THE ECONOMY, THESE AT BEST CAN ONLY BE SHORT-TERM IN NATURE. + HE ADDED WHEN OPENING THE TWO-DAY SEMINAR ON BUSINESS OPPORTUNITIES IN MALAYSIA 1981-1985 ORGANISED BY AMANAH CHASE MERCHANT BANK BERHAD.

+WHAT IS REQUIRED IS TO MAKE LONG-TERM STRUCTURAL ADJUSTMENT TO THE ECONOMY THAT WILL INSULATE IT FROM THE DEBILITATING EFFECTS OF UNFAVOURABLE INTERNATIONAL ECONOMIC TRENDS. +

TOWARDS THIS END, THE GOVERNMENT WAS UNDERTAKING A DETAILED STUDY TO FURTHER BOOST AND DEVELOP THE INDUSTRIAL SECTOR, WHICH HAD EMERGED AS THE +ENGINE OF GROWTH+ FOR THE MALAYSIAN ECONOMY DURING THE LAST DECADE.

THE MAIN OBJECTIVE OF THE EXERCISE WAS TO IDENTIFY MORE PRECISELY POTENTIAL AREAS AND INDUSTRIES FOR FURTHER DEVELOPMENT AND TO EVALUATE AND EXAMINE INDUSTRIAL DEVELOPMENT POLICIES AND PROGRAMMES TO STRENGTHEN THE INDUSTRIAL SECTOR. —BERNAMA MORE 1704/MK

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HE HOWEVER REMAINDED THAT WHILE THE GOVERNMENT COULD IMPLEMENT THE APPROPRIATE POLICIES, THE PRIVATE SECTOR ITSELF HAD A BIG ROLE TO PLAY IN BRINGING ABOUT THE NECESSARY CHANGES.

+THE RESTRUCTURING AND EXPANSION OF THE INDUSTRIAL SECTOR REQUIRES THAT THE PRIVATE SECTOR SEIZES THE OPPORTUNITIES THAT WILL BE GENERATED DURING THE FOURTH MALAYSIA PLAN PERIOD. +

ADROITNESS AND CREATIVITY ON THE PART OF THE PRIVATE SECTOR WERE REQUIRED TO EXPLOIT NEW SOURCES OF INDUSTRIAL GROWTH AS WELL AS TO MODERNISE AND INTEGRATE PRESENT OPERATIONS.

DATUK SERI DR. MAHATHIR POINTED OUT THAT MALAYSIA WAS FORTUNATE TO BE WELL-ENDOWED WITH NATURAL RESOURCES LIKE RUBBER, PALM OIL, PETROLEUM AND TIN THAT COULD BE USED TO ENHANCE HER COMPARATIVE ADVANTAGE IN INTERNATIONAL TRADE AS WELL AS FOR PRODUCTION FOR THE DOMESTIC MARKET. —BERNAMA MORE 1709/MK

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HE CITED AS AN EXAMPLE THE RUBBER INDUSTRY, WHICH USED ONLY TWO PERCENT OF THE COUNTRY'S NATURAL RUBBER FOR DOWNSTREAM PROCESSING AND EXPORTED THE REST.

HE STRESSED THAT EXPANSION OF RESOURCE-BASED INDUSTRIES HAD OTHER BENEFITS THAT CONTRIBUTED TO NATIONAL OBJECTIVES, SUCH AS DEVELOPMENT OF LESS-DEVELOPED AREAS AND INCREASED FOREIGN EXCHANGE EARNINGS THROUGH EXPORT OF SUCH MANUFACTURED GOODS.

DATUK SERI DR. MAHATHIR ALSO SAID MAJOR EFFORTS NEEDED TO BE MADE TO FURTHER DEVELOP THE INDUSTRIALISATION PROCESS BY MOVING FROM SIMPLE ASSEMBLY OPERATIONS TO MANUFACTURING OF PRODUCTS EMBODYING MORE ADVANCED TECHNOLOGY.

THE MOVE WOULD INVOLVE UNDERTAKING THE NECESSARY RESEARCH AND DEVELOPMENT, TRANSFER OF TECHNICAL AND MARKETING KNOWLEDGE TO MALAYSIANS AS WELL AS UPGRADING SKILL AND QUALITY OF THE LOCAL LABOUR FORCE.

AS REGARDS THE LAST FACTOR, IT WAS NECESSARY FOR THE PRIVATE SECTOR TO INVEST IN TRAINING AND INCREASING PRODUCTIVITY OF LABOUR.

THIS WOULD BRING LONG-TERM BENEFITS BY WAY OF DEVELOPMENT OF SKILLS, WORK HABITS AND DISCIPLINE AMONG THE LOCAL WORKFORCE, HE ADDED. —BERNAMA 1715/MK