

PARLIAMENT-PROTON
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KUALA LUMPUR, OCT. 24 (BERNAMA)-- THE GOVERNMENT MIGHT HAVE TO SUBSIDIZE THE MALAYSIAN CAR FOR EXPORT TO COMPETE IN THE FOREIGN MARKET, PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD, TOLD THE DEWAN RAKYAT TODAY.

SUCH A PRACTICE WAS BEING CARRIED OUT BY SOME BIG COUNTRIES IN EFFORTS TO SECURE FOREIGN EXCHANGE, HE SAID.

REPLYING TO WAN NAJIB WAN MOHAMAD (BN-PASIRPUTEH), HE SAID THE MALAYSIAN CAR WOULD PROBABLY NOT ENTER THE JAPANESE MARKET IN VIEW OF THE LOW PRICES OF CARS THERE.

THE FIRST MALAYSIAN CAR WOULD ROLL OFF THE ASSEMBLY LINES BY NEXT JULY, HE SAID IN ANSWER TO QUESTIONS BY ENCIK DAUD HAJI TAHA (BN-BATU PAHAT).

ONLY 89,000 CARS WOULD BE PRODUCED NEXT YEAR, 209,000 IN 1986 AND 509,000 ANNUALLY THE FOLLOWING YEAR.

REPLYING TO THE ORIGINAL QUESTION OF ENCIK LEE LAM THYE (DAP-KUALA LUMPUR BANDAR), THE PRIME MINISTER SAID PERUSAHAAN OTOMOBIL NASIONAL (PROTON) OBTAINED A \$340 MILLION LOAN TO FINANCE THE MALAYSIAN CAR PROJECT.

THE LOAN WAS FROM MITSUBISHI MOTORS CORPORATION AND MITSUBISHI CORPORATION (\$120 MILLION), DIAMOND LEASE LTD AND MITSUBISHI TRUST AND BANKING CORPORATION (\$120 MILLION) AND A SYNDICATED LOAN JOINTLY MANAGED BY BANK BUMIPUTRA AND BANK OF TOKYO (\$100 MILLION), HE ADDED.

ON STEPS TO ENSURE A SMOOTH TRANSFER OF TECHNOLOGY, HE SAID AN INTENSIVE TRAINING PROGRAMME ON THEORY AND IN-PLANT TRAINING WAS CONDUCTED TO ENABLE PROTON EMPLOYEES TO FULLY TAKE OVER IN TWO YEARS RESPONSIBILITY OF BUILDING THE CAR.

A DETAILED PLAN WAS BEING DRAWN UP TO IDENTIFY THE FIELDS THAT REQUIRED A COMPLETE TAKE-OVER BY PROTON AND THE TECHNOLOGY TRANSFER COMMITTEE SET UP UNDER THE PRIME MINISTER'S DEPARTMENT WAS CONSTANTLY MONITORING THE PROGRAMMES ON TRANSFER OF TECHNOLOGY.

DATUK SERI DR MAHATHIR SAID THE GOVERNMENT WAS ALSO PLANNING TO CONDUCT STUDIES IN AUTOMOTIVE ENGINEERING IN INSTITUTIONS OF HIGHER LEARNING IN THE COUNTRY.

THE GOVERNMENT THROUGH THE STANDARDS AND INDUSTRIAL RESEARCH INSTITUTE OF MALAYSIA (SIRIM) HAD SET UP A SPECIAL COMMITTEE TO CHECK ON THE QUALITY OF LOCALLY-PRODUCED SPARE PARTS.

THIS, HE SAID, WAS PART OF THE EFFORTS TO ENSURE THAT THE LOCALLY-PRODUCED SPARE PARTS USED FOR THE MALAYSIAN CAR MET WITH THE SAFETY STANDARDS.

PROTON WOULD ALSO EXAMINE EVERY COMPONENT PRODUCED LOCALLY TO ENSURE THAT ITS SPECIFICATIONS WERE MET.

DATUK SERI DR MAHATHIR SAID LOCAL INDUSTRIALISTS WOULD ACQUIRE NEW TECHNOLOGY ON COMPONENTS PRODUCTION FROM THE JOINT VENTURE COMPANIES TO IMPROVE THE QUALITY OF THEIR PRODUCTS. -- BERNAMA
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