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MAHATHIR-INVESTMENT

PULAU PINANG, MAY 24 (BERNAMA) -- TOTAL INVESTMENT IN MALAYSIA BY AMERICAN ELECTRONIC FACTORIES ALONE WILL BE IN EXCESS OF \$3 BILLION BY 1993, DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY.

THE PRIME MINISTER SAID THAT AT PRESENT THERE WERE 17 FACTORIES BELONGING TO THE AMERICAN ELECTRONICS INDUSTRY GROUP WITH INVESTMENTS EXCEEDING \$1.5 BILLION.

IT WAS SIGNIFICANT THAT THE ELECTRONIC INDUSTRY HAD PROJECTED AN ANNUAL INVESTMENT OF MORE THAN \$300 MILLION OVER THE NEXT FIVE YEARS, HE SAID WHEN OPENING THE \$35 MILLION BAXTER HEALTHCARE MALAYSIAN OPERATIONS HERE.

WE ARE HAPPY AT THIS PROSPECT BUT WE REALISE THAT THE STATE OF THE WORLD'S ECONOMY WILL DETERMINE ACTUAL INVESTMENTS AND WE WILL BE BUSY ENCOURAGING OTHER INVESTMENTS AS WELL, HE SAID.

DATUK SERI DR MAHATHIR SAID THAT MALAYSIA WAS EXPERIENCING ANOTHER WAVE IN THE FORM OF PROJECTS FOR THE MANUFACTURE OF HOUSEHOLD, INDUSTRIAL AND EXAMINATION PRODUCTS AND SURGICAL GLOVES.

TO DATE, THE GOVERNMENT HAD APPROVED 149 PROJECTS FOR THE MANUFACTURE OF VARIOUS TYPES OF GLOVES, 28 OF WHICH WERE ALREADY IN PRODUCTION WITH A TOTAL CAPACITY OF 825 MILLION PAIRS OF GLOVES. -- MORE

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THIS TREND CONTINUED AND MORE THAN 100 NEW APPLICATIONS HAD BEEN CONSIDERED BY THE GOVERNMENT, THE PRIME MINISTER SAID.

ON THE RUBBER-BASED INDUSTRY, DATUK SERI DR MAHATHIR SAID THAT MALAYSIA HAD NOT FULLY EXPLOITED THE POTENTIAL FOR RUBBER PRODUCT MANUFACTURING, COMPARED WITH OTHER ASIAN NON-RUBBER PRODUCING COUNTRIES.

HE SAID MALAYSIA, BEING THE WORLD'S LARGEST PRODUCER OF RUBBER, CONSUMED ONLY 87,600 TONNES OF RUBBER FOR THE WHOLE OF LAST YEAR WHILE SOUTH KOREA AND TAIWAN, BOTH NON-RUBBER PRODUCING COUNTRIES, CONSUMED MORE.

SOUTH KOREA CONSUMED ABOUT 375,000 TONNES AND TAIWAN 97,000 TONNES IN THE FIRST 10 MONTHS OF LAST YEAR.

INCENTIVES GIVEN BY THE GOVERNMENT TO INCREASE THE MANUFACTURING OF LOCAL RUBBER PRODUCTS FOR EXPORT WOULD COME TO NAUGHT IF RAW MATERIAL COST BECAME PROHIBITIVE, THE PRIME MINISTER SAID. -- MORE
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ONCE WE HAVE REALLY BIG RUBBER-BASED INDUSTRIES, OUR PRODUCTS WILL BECOME CHEAPER AND WE WILL BE ABLE TO OVERCOME THE PROBLEM OF EXPORTING BULKY FINISHED RUBBER PRODUCTS.

IN THE MEANTIME, WE SHOULD BE MORE PRUDENT AND NOT ALLOW GREED TO OVERCOME THE WISDOM OF LONG-TERM STRATEGIES, THE PRIME MINISTER SAID.

HE SAID MALAYSIA WAS NOT YET A NEWLY INDUSTRIALISED COUNTRY BUT WOULD STRIVE HARDER TOWARDS ACHIEVING THIS.

DATUK SERI DR MAHATHIR SAID MALAYSIA WAS PREPARED TO CONSIDER POLICY CHANGES OR DIFFERENT APPROACHES IF THESE WERE NEEDED.

INDEED, WE HAVE LIBERALISED OUR ATTITUDES TOWARDS FOREIGN INVESTMENT CONSIDERABLY, HE ADDED. -- BERNAMA
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