

Dr M. Perwaja and Proton

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Success proves us right

KEMAMAN, Thurs. — The success brought by the new management of Perwaja and Proton proves that the Government was right in pursuing its heavy industries programme, the Prime Minister said today.

Datuk Seri Dr Mahathir Mohamad said the reorganisation of Perwaja and Proton a year ago led to a tremendous improvement in the performance of the companies.

He said this proved that problems faced earlier were not caused by the Government's heavy industries policy but the result of poor management of the companies.

"Because of this the Government had to look for the right people to manage the two corporations," he said when opening Wisma Waja at the Perwaja Terengganu plant here.

Former UMW managing director Tan Sri Eric Chia was made Perwaja managing director and a Japanese management team took over at Proton in a Government move to turn the companies around.

Dr Mahathir said that changes were made despite the political flak they attracted as the consequences would have been worse if better ways of running the companies were not pursued.

The Prime Minister said the

people brought in by the Government would not stay there forever and would leave once they had passed on their management expertise to others.

Which was why, he told Tan Sri Chia, "you have to work yourself out of this job."

Similarly, the Proton management had been told to train local managers in effective management.

"The people brought in have little to gain and in fact can earn more working elsewhere. I hope all allegations against them will stop."

Dr Mahathir said he wanted

□ SEE PICTURE AND STORY ON PAGE 2

all executives at Perwaja and Proton to pick up the skills imparted by the new management so that they could take over one day.

He said it was not shameful for someone to admit that he lacks knowledge or expertise which others possess.

"It will be shameful if one does not want to learn. Such people will stay backward forever."

Dr Mahathir said a good manager was not one who stayed in his air-conditioned office but someone who went down to the

shop-floor and knew everything and everyone.

The Prime Minister said he was proud to note that Perwaja's performance had improved by nearly 200 per cent since the change in management.

"I am told that production for June is more than the plant's capacity and it is a success we can all be proud of."

He said Perwaja's present success was due to the contribution of the management and workers.

Dr Mahathir said because Perwaja was doing so well, the Government was considering reviving the direct reduction plant to produce hot briquetted iron (HBI).

The \$546 million plant was shut down earlier as it had failed to produce HBI of the desired quality and specifications.

The Prime Minister said he was personally supervising Perwaja and got a monthly report from its management.

He urged everyone connected with Perwaja to work harder to make the company a success story that the whole nation could be proud of.

Dr Mahathir said the heavy industries programme had to succeed for the economic well-being of Malaysia as reliance on agriculture and primary products was not good enough.