

PM hails Proton move as leap in technology

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DATUK Seri Dr Mahathir Mohamad said the move by Perusahaan Otomobil Nasional Sdn Bhd (Proton) to build an engine components manufacturing plant was a technological leap for the national car industry.

The Prime Minister hoped that this transfer of technology from Proton's partner, Mitsubishi Motors Corporation (MMC), would help train Malaysians in the field of high-quality automobile engineering.

He praised Proton for its performance and advised the corporation to acquire research and development knowledge if it is to be competitive in the international car market.

He said this at the official ground-breaking ceremony of the Proton engine parts machining and transmission assembly plant at the National Car Corporation's headquarters in Batu Tiga near Shah Alam yesterday.

Among those present at the ceremony was MMC president Hirokazu Nakamura, Proton chairman Tan Sri Jamil Jan and Proton managing director

Kenji Iwabuchi.

Dr Mahathir hoped MMC would continue to support Proton in its efforts to increase the local components content in the national car production.

The proposed plant which provides Proton with the expertise in the manufacture of highly sophisticated engine components would be implemented in two phases and expected to be operational by 1992.

Capacity

To date, Proton has localised production of 380 components of the Proton Saga with eight parts in the process of being taken out from the completely knocked down pack and another 105 components at the development stage.

In his speech, Tan Sri Jamil said the plant would have the capacity to produce 7,000 engines and six thousand transmission units a month.

He also said Proton was in the process of identifying other engine components which could be produced at this plant.

He said 190 jobs were expected to be created when the plant became fully operational.

"This does not include job opportunities that will be created among support industries involved in engine component production."

Two companies, HICOM Diecastings Sdn Bhd and HICOM Engineering Sdn Bhd had been formed to produce engine components and other parts of the national car.

Mr Nakamura, in his speech, pledged MMC's continued support to the national car project.

Mr Iwabuchi who also spoke during the ceremony said Proton had decided on four strategies to produce quality and sophisticated components.

These would review the organisation to strengthen local components usage, upgrade local component manufacturers capabilities, encourage involvement by local firms in Proton's subsidiary businesses and arranging joint-ventures or technical assistance between local and foreign companies.