

Perwaja's turnaround remarkable, says PM

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By V Vijayan Menon

KEMAMAN, Tues. — A company's success is dependent on good management, a disciplined workforce and proper work ethics, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

This was clearly reflected in the success of the Perwaja Steel plant which turned around to record better results after making huge losses prior to a man-

agement revamp and change in the employees' work attitude.

"When I visited the plant two years ago, its performance was dismal. The mill seemed unlikely to succeed and had become a financial burden to the Government and the nation. But today the plant has been rehabilitated into a successful one and has become the pride of the nation."

Dr Mahathir said the

turnaround was truly remarkable because it was undertaken by the same workers, the majority of whom were Malays.

"This only goes to show that Malays have the potential to succeed in any modern industry or economic activity provided they are dedicated, committed and have the right work ethics," the Prime

★ PLEASE TURN TO P2, COL 7

Dr Mahathir: Hard work will overcome challenges

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FROM PAGE ONE

Minister said in his address to Perwaja Steel plant workers at the end of his tour of the mill today.

Dr Mahathir said the company's success, and the ability of the workers to perform well, helped refute the general belief among some quarters that the Malays were incapable of successful business ventures and undertakings.

"This inferiority feeling and lack of confidence are keeping us backward. Success does not depend on race but good management, hard work, dedication, integrity and the right attitude and values."

He attributed Perwaja's success to these qualities and a dynamic management team led by managing director Tan Sri Eric Chia.

Dr Mahathir said the Government adopted the Look East policy because it wanted Malaysians to imbibe the work ethics of the Japanese.

"Japan has become the biggest economic power in the world. Even Western countries are looking towards Japan to help bolster their ailing economies.

"The Japanese consider failure a great shame. This sense of shame will even drive some of them to commit suicide or perform the *harakiri*.

"Although we cannot advocate this, we must also feel a sense of shame whenever a venture fails."

He said this should make one strive harder to overcome the challenges and to ultimately achieve success.

Dr Mahathir said in view of the tremendous im-

provements the steel plant has undergone, the Government was confident that the hundreds of million ringgit that would be spent for its proposed expansion programme would not be wasted.

Later Dr Mahathir told reporters that despite the breakdown of two out of the three furnaces at the plant due to the failure of two transformers, production of steel billets was higher now than before the revamp.

He said steps had been taken to repair the transformers and, when completed, the plant would be able to produce 1.2 million tonnes of steel billets a year, much more than its design capacity of 600,000 tonnes.

Asked whether proposals by some foreign companies to set up steel plants in the

country would affect Perwaja, Dr Mahathir said it would not as they would be manufacturing products that were not made by Perwaja.

"The steel produced by these foreign companies will also be exported. However, proposals from these companies are still being studied and no decision has been made."

About Perwaja's expansion programme, he said the abandoned direct reduction iron plant would be revived at a cost of \$680 million and a \$400 million rolling mill would be set up.

Dr Mahathir said Perwaja may go public but it would depend on its track record and future performance.

Dr Mahathir left for Kuala Lumpur after having lunch with the workers at the plant's canteen.