

# Mahathir tells Japan: Pass on the technology

By K.P. Waran

SHAH ALAM, Fri. -- Japanese investors should direct their attention to the quality of manufacturing projects that are being established in Malaysia, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said a growing concern among the business communities in the Asia-Pacific region, especially among the Asean countries, was that of technology transfer.

"Technology is much needed to spur our economies towards a higher level of industrialisation and to develop our workforce into one that can handle the changing demands of the industry.

"We believe that Japan can provide that technology," he said at the opening of the Canon Opto Sdn Bhd's optical lens producing plant here.

Also present at the function were the Prime Minister's wife, Datuk Seri Dr Siti Hasmah, International Trade Minister Datuk Seri

Rafidah Aziz and Selangor Menteri Besar Tan Sri Muhammad bin Muhammad Taib.

He said Malaysia's hope was that Japanese multinationals in the region would pass on some of their technologies to local companies.

"There should not be too much concern over any adverse effect of doing this because it is a fact that Japanese technologies are not static.

## Joint ventures

"They advance very rapidly and as a result the technologies transferred to Malaysia will not be in a position to challenge the latest in Japanese technologies."

Dr Mahathir said Japanese companies can benefit by sourcing components locally and having local vendor networks to reduce costs.

He said Japanese companies could work together with Malaysian manufacturers to develop products which can meet the strin-

gent requirements of export markets and added that this co-operation could be further extended to improve product price and delivery time.

Dr Mahathir said local companies, which were reluctant to invest in additional machinery and were shying away from taking investment risks, should change their attitude and take advantage of proposals for co-operation by Japanese companies.

"Such proposals for co-operation can also come in the form of joint ventures between Japanese components and parts suppliers and Malaysian companies, where the risks are shared and technology transfer progresses in a more organised fashion.

"Japanese companies can also integrate themselves into the Malaysian business network by sourcing raw materials and intermediate input such as sub-assemblies locally and to set up more integrated projects," he said.

He said rapid growth and economic dynamism of

this region were undeniable and added that Japanese business enterprises would be able to thrive in a politically stable and economically sound environment.

He said the Malaysian Government had been consistently successful in ensuring political stability, sound economic policies and good infrastructure and hoped that the development and training of the workforce would be undertaken by the private sector.

Earlier, the chairman of Canon Incorporated of Japan, Ryuzaburo Kaku, said his company was fully committed towards being an excellent corporate citizen.

He said the Canon Opto factory at Shah Alam was built within a record 1½ years — proof of the diligence of Malaysian workers. He added that the company would make training of manpower one of its major objectives.

He also presented a cheque for \$200,000 to Dr Mahathir for the Pemandam Fund.