

Go hi-tech, local investors urged

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SHAH ALAM: Malaysians must be bold enough to take advantage of Taiwanese investments by venturing into the technology sector which offers high potential.

Prime Minister Datuk Seri Dr Mahathir Mohamad said unlike the multinationals from Japan and the United States, the majority of Taiwanese investments were small and medium-sized companies.

"This means that in terms of capital investment and technology inputs, many of these projects can be participated by Malaysians," he said.

"They also offer direct opportunities for local f&s to enhance their expertise in the fields of manufacturing, management and marketing."

Speaking to reporters after opening the Chungwa Picture Tubes (M) Sdn Bhd factory here yesterday, Dr Mahathir said: "Taiwanese companies are very willing to

have Malaysian participation.

"But of course, in this type of industry there are risks involved and they (Malaysians) must learn to take these risks.

"Malaysians must also learn about production and management so that they can start their own businesses."

In his speech, Dr Mahathir said for more than two decades, the Government had been trying to attract foreign investments, especially in the industrial sector by offering all kinds of incentives.

"Based on our economic achievement, it is clear that these policies and incentives have been successful in achieving our original aim," he said.

However, Dr Mahathir said all these policies had to be reviewed in line with Malaysia's aims towards Vision 2020.

"Our priority now is to select capital intensive and high-technology in-

dustries as we have entered a selective industrial era," he added.

Continued excessive incentives would reduce the efficiency of a company, he said, adding that it would also affect their competitive edge in the international market.

"I understand the review of the policy has caused uneasiness among investors," he said, adding that these incentives were like "icing on the cake."

Dr Mahathir said a healthy investment climate was more important.

Therefore, there was a need to ensure the viability of non-tax incentives such as political stability, co-operation between the Government and the private sector, and suitable human resources.

Dr Mahathir said all these qualities were available in Malaysia.

He also gave an assurance that the Government would not implement any

policy without considering the feedback of the private sector.

He said the Government was aware that the private sector was the engine of economic growth, in line with the Government's aim of turning Malaysia into a developed country.

"The Government will continue its efforts to prepare sufficient infrastructure including an educated workforce for the needs of the industrial sector with the co-operation of the private sector," he said.

Malaysia, he said, was making progress towards becoming the largest television exporter.

Last year, he said Malaysia exported 3.5 million television sets costing \$1.4 billion.

Dr Mahathir said that the aim of having a 100 per cent Made in Malaysia television set would be achieved with the production of "glass tubes" by Nippon Electric Glass.