

PM: Ceramics industry must be given serious guidance

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JITRA, Thurs. -- The ceramics industry should be given greater emphasis and serious guidance to expedite its growth. Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Among the steps that need to be taken are immediate action to establish the Perak Government's pro-

posed Ceramics Technology Centre (CTC), developing a specific industrial estate for the industry and providing the infrastructure facilities.

Dr Mahathir said a research and development centre could also be set up to support the industry.

He said Malaysia could capitalise on the abundance of *kaolin* (white clay) deposits in Bidor and Tapah in Perak, Jamalung in Johor and Sarawak to develop the ceramics industry.

The availability of infrastructure and other supporting facilities would show

the Government's commitment towards the development of the ceramics industry, he said at the opening of the Takagi (Malaysia) Sdn Bhd factory at Bandar Darulaman here.

He urged ceramics-based local companies to be farsighted and to diversify their activities to ensure more participation in international trading by the year 2000.

"Local companies should also have long-term corporate strategies as the international trade scenario in the 21st century is changing

in accordance with the world political development," he added.

Dr Mahathir said although companies producing ceramic products were using imported raw materials as well, he believed the situation would change when more companies became involved in ceramics activities.

"The time will come when the companies' demand for the raw materials would

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open opportunities for the establishment of factories involved in the processing of formulated clay mixture to cater to the needs."

Dr Mahathir suggested that local companies which had been involved in the production of **kaolin-based** products to conduct detailed studies on the opportunities available in the ceramics industry.

He said besides Takagi which invested \$12 million, the total investment in the ceramics industry since 1980 until November last year was \$166.4 million.

Of this, 71.2 per cent or \$118.5 million comprised foreign investments, mainly Japanese companies.

He said although this figure was small compared to

figures in other industries like electronics, it was significant in terms of "spin-off effects" and in further making Malaysia known in the world market.

Fifteen projects were approved since 1989 and these are expected to provide jobs for about 4,000 Malaysians.

"Takagi, for example, will employ 800 workers by 1996," Dr Mahathir said. At present, it employs 275.

He said the ceramics industry, first introduced in Malaysia by American firm Franklin Porcelain in Kulim in the 80s, was now being carried out on a wide-scale in the country.

This encouraging development, he added, was due to the increasing production cost in Japan which had forced companies like Takagi, whose markets are

largely dependent on the demand by Disneyland, to relocate their operation to developing countries like Malaysia.

Dr Mahathir said the Government welcomed entrepreneurs, especially those who were interested in venturing into new industries.

The presence of these entrepreneurs would encourage other foreign companies to invest and make local companies realise the vast opportunities available in the manufacturing sector.

On export of ceramic figurines, Dr Mahathir said the export value had increased from \$50.6 million in 1990 to nearly \$70 million last year.

Earlier, Menteri Besar Tan Sri Haji Osman Aroff said Kedah had seen rapid development over the years and was set to continue.