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MALAYSIA TO STUDY ZONE FOR HIGH TECHNOLOGY INDUSTRIES

Mahathir-Aviation 9, (V) 07

From Abdul Rahman Sulaiman

Limerick, Sept 25 (Bernama) -- Malaysia will study the possibility of establishing an all-inclusive free zone for high technology industries, including aviation, Prime Minister Datuk Seri Dr. Mahathir Mohamad indicated here today.

Such a zone, to be modelled along the Shannon Free Zone in Ireland, could either be located on Langkawi Island or close to the Kuala Lumpur International Airport in Subang after the new KL International Airport was built in Sepang, he said.

He was speaking at a press conference for Malaysian journalists at the end of his four-day official visit to Ireland.

Malaysia's interest in the aviation industry was already evident with the staging of the Langkawi International Maritime and Air (LIMA) show in Langkawi and establishment of Airod, a privatised company whose current activities included servicing and maintenance of aircraft.

Dr Mahathir spent half of yesterday and today attending briefings and touring the Shannon Free Zone, located about 30 kms from here. -- more

▼25/09/19-57MST

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The 600-acre zone developed and managed by the Shannon Development Corporation, a government body, houses 110 international manufacturing and service industries from all over the world, including the United States.

Set up in 1959, the zone now provides employment for more than 5,000 people.

Dr. Mahathir said Malaysia had invited some of the companies operating here to relocate parts of their operations or set up branches in Malaysia to tap the Southeast and East Asian markets which was larger than the European market to which they were now mostly exporting.

There was also a possibility, at a later stage, for reverse investment by Malaysian companies to take the advantage of the lucrative European market, he added.

On the overall outcome of his visit to Ireland, Dr Mahathir, who leaves later today for an unofficial visit to Northern Ireland, said he was pleased that he and members of his delegation were well-received not only by the government but also by the private sector.

While in Ireland, he met his Irish counterpart Albert Reynolds and leading members of the private sector. -- more

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He said there was now better prospects for greater co-operation between the two countries, especially in the field of education.

He was happy that Ireland was prepared to accept more medical students from Malaysia. There was no limit to the numbers as long as they were within the capacity of the various universities to absorb them, he said.

Dr Mahathir was confident that Malaysia would also get assistance from Ireland in terms of providing academic staff not only to overcome the current shortage of medical teachers in universities but also to meet the needs of other medical institutions which might be set up later.

On the East Asian Economic Caucus (EAEC), Dr Mahathir said the Irish leadership had no objections to it.

They understood Malaysia's intention for proposing it, as they were involved in a bigger economic grouping such as the European Community, he added.

In fact, he stressed that none of the EC member countries had ever voiced opposition towards the EAEC. -- more

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On whether or not Malaysia was particularly concerned over the current weakening of the European currencies, especially the British pound following the European Exchange Rate Mechanism (ERM) crisis, Dr. Mahathir said he believed that the current confusion was only a temporary state of affairs.

He said the monetary system would gradually stabilised.

He added: +Initially, Malaysia's exports to Britain, including the Proton Saga, will certainly be more expensive than it was before in the face of a weaker pound:

+However, as these countries also depend on imported raw materials for some of the goods they produce, they will also have to pay more for such materials.

+A higher cost of materials will push up the prices of finished products and in that way the competitiveness of our products will not be greatly affected in a long run.+ -- more

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On his private visit to Northern Ireland and Scotland, Dr Mahathir said he would take the opportunity to visit the manufacturing plant owned by Shorts Brothers to get more information on the technology it was now applying for the manufacture of aircraft parts using composite materials.

He said Malaysia might be able to learn something from the company.

In Scotland, he will visit the shipyard where two frigates ordered by Malaysia for its navy are being built. -- Bernama

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