

Malaysia has own aircraft firm, says PM

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MALACCA: The country's aircraft manufacturing industry is expected to take off soon, Prime Minister Datuk Seri Dr. Mahathir Mohamad said yesterday.

He said the Government acquired Australia's Eagle Aircraft for A\$10 million (RM18 million) two years ago and the company, now managed by Malaysians, had started producing two-seater trainer aircraft.

"The company has received 10 orders for the trainers in Australia," he told reporters at Graha Makmur after ending his two-day visit to the state.

He said Petronas and a government-owned company were equal partners in the venture.

"Besides being interested in aircraft manufacturing technology, we

also want to master other technologies such as the usage of composite plastic materials and fibreglass in aviation.

Dr Mahathir said the company's manufacturing plant would be relocated to Malaysia as soon as possible.

The aircraft, which would use composite plastic materials, would be assembled manually because labour cost here was much cheaper than in Australia.

"Initially we would only build trainer aircraft. Later on, as we upgrade our efficiency and skills, we can go on to manufacturing bigger planes," he added.

Asked why the Government had not announced its acquisition of Eagle Aircraft earlier, Dr Mahathir replied: "We are happier to make announcements when we

have succeeded rather than raise people's hopes and then fail to do anything."

He said the company's workers, including engineers and managers were undergoing extensive training.

"We also need to get certification from the Australian authorities for the aircraft."

Dr Mahathir said in fields where risks were high and profits not guaranteed, the Government felt that it could make the initial investment.

"We can always sell to the private sector when the venture is successful," he added.

The Prime Minister said he was confident the Malaysian aircraft manufacturing industry would be viable as long as it was careful not to get into areas controlled by big multi-national companies.