
Stronger purchasing power now

17 APR 1993

MALACCA: Prime Minister Datuk Seri Dr Mahathir Mohamad said the purchasing power of Malaysians is equivalent to that of people in Europe, although our standard of living is much lower.

For example, he said, if people in Britain spent £1 (RM4), they would get the same amount of goods for which Malaysians would pay RM1.

"But the conversion rate is four ringgit to a pound," he told reporters after ending his two-day visit to the state.

Dr Mahathir said the

price of goods manufactured in Malaysia was competitive because wages were lower than in other countries.

He said investors, particularly those in the computer and other high-tech industries, flocked to the country because land costs were cheaper than in Taiwan or the United States.

The Prime Minister said it was vital that wages and the price of goods were not raised indiscriminately.

"Higher prices and wages will lead to a high-

er cost of living. Investors will shy away, leaving people jobless," he said.

On his visit to Malacca, he said he was satisfied with the industrial growth and the number of projects.

He said although Malacca faced a shortage of workers as a result of the many industries, he was certain that this could be overcome by bringing in workers from neighbouring states.

Dr Mahathir said he was also impressed with the computer industry,

initiated by the Malaysian-owned Likom Group.

He earlier visited the Likom computer plants, located within the 37ha Malacca Technology Park at Cheng.

The six factories which employ 700 people, produce monitors, switching power supply systems, keyboards, computer casings, plastic parts and system assembly.

Group managing director Tan Sri William Cheng said that the companies hoped to achieve a turnover of RM229 million this year.