

Malaysia wants speedier transfer of technology in national

PM: We need to march

car project

faster

KUALA LUMPUR, Mon. — Datuk Seri Dr Mahathir Mohamad said Malaysia wants to march faster towards having a full-fledged car industry capable of designing and producing even the most complex car components, like engines and transmission.

The Prime Minister said until the country could master that, and until it could reach the stage where it could design its own engines and produce them, "we have not yet really achieved progress in car manufacturing".

As such Malaysia wants a speedier transfer of technology to its national car project and is keeping open the options of sourcing knowledge from manufacturers other than the Japanese partners.

"But it is the Japanese philosophy of doing things step by step," Dr Mahathir told reporters, apparently referring to the manner Japanese car maker Mitsubishi has been imparting technology to the national car project.

Mitsubishi Motor Corp and Mitsubishi Corp are the foreign partners in manufacturer Perusahaan Otomobil Nasional Bhd (Proton), with the two now holding 17 per cent equity, reduced from the original 30 per cent following the company's listing in 1992.

Heavy Industries Corp of

Malaysia would be able to build a car and market it.

But Proton has been a success, Dr Mahathir said, and it has also helped Malaysians get into areas where they were not familiar with until then.

He said: "We will soon produce our own engines based on the design of others and I hope that it is not far off when Malaysians will design our own engines which are better than existing ones and to produce them for local cars and vehicles.

"This is not far-fetched as the success of the national car project has shown.

"Things never happen unless you make it happen. Sitting down and hoping for things to happen won't get you anywhere.

"I am very glad that we have come to the stage where it is worthwhile to have books about the Proton Saga ... I hope it will do very well and sell very well so that it can help raise enough money for the scholarship fund.

"We welcome people to write similar books and donate proceeds to charity ... the more the merrier.

"I hope that buyers of this book will learn how to take risks and go into areas which are normally strange and unfamiliar to us but one day we will also be able to master and will go on to bigger things."

Malaysia (Hicom) is the major shareholder of the project which saw the first production of the national car at the Shah Alam plant in 1985. Proton has a paid-up capital of RM507 million (as at Oct 7, 1993) and authorised capital of RM1 billion.

Dr Mahathir, who had earlier launched a book *The Making of the National Car — Not Just a Dream*, said it might be necessary to turn for help elsewhere. "We have to try to get the technology somewhere, somehow."

"We get a lot of proposals from other people from Japan, Europe, the US. Since we have built cars and this has proven to be a success, there is a lot of interest to work with us shown by the Europeans and Americans," he said.

To a question, he said, however, there was no decision as yet with regard to using non-Mitsubishi engine, for example, in the Proton.

"We are behind others (in the car industry). The only way to catch up is to be faster than the people we are trying to catch up with. It is logical," Dr Mahathir said.

In his speech when launching the book, Dr Mahathir said many people were unconvinced that Ma-

Since its inception, Proton has fast grown in popularity among Malaysians. By last year, it commanded 73 per cent of the domestic passenger car market.

About 20 per cent of the more than 100,000 units of Proton cars produced a year are being exported, mainly to the UK.

The local content of the national car has also been increased gradually to about 80 per cent at present. Besides the engine and transmission components, virtually everything else in the car is sourced locally.

Dr Mahathir said Malaysia was also moving into the production of aircraft, beginning with a two-seater aeroplane.

Also present at the launching were chairman of Hicom and Proton Tan Sri Jamil Jan and the author of the book, Datuk Tharu T. Tharumaganam, who is the joint secretary to the Boards of Hicom and Proton.

The 128-page book, which includes a Bahasa Malaysia translation, costs RM65. It summarises the rationale, formulation and present day operations of Proton in the context of current na-

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Book proceeds to fund automotive studies

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national policy objectives for industrialisation, an important aspect of fulfilling Vision 2020.

Earlier, Tharumagnanam said all proceeds from the book would go towards funding studies in automotive engineering and tech-

nology at Universiti Teknologi Malaysia (UTM).

Tharumagnanam was one of the nine members of the original Hicom National

Car Project negotiating team involved in formulating the terms of the joint venture and associated agreements with Mitsubishi Corporation in 1983.