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Mahathir-technology

LOCAL COMPANIES URGED TO UNDERSTAND PRINCIPLES OF FOREIGN TECHNOLOGY

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KUALA LUMPUR, Aug 16 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today urged local companies with foreign partners to understand the principles of foreign technology well enough to use the technology to produce other goods.

They should not accept the foreign technology in a passive manner, he said.

"The joint ventures which make use of foreign technology will surely help enhance domestic productivity and efficiency," he said when opening the factory of Sapura-Nokia Telecommunications and Sapura Electronics Industries in Wangsa Maju, Setapak, here.

Dr Mahathir said that in the effort to expedite the national industrialisation process, local companies should accept foreign technology suitable to their needs.

He also said that it was the government policy to encourage more local companies to enter into joint ventures with multinational companies to meet the rising demand for telecommunications services in the country. -- more

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Such joint-venture projects could also help Malaysia become an exporter of telecommunications equipment, he said.

"Business joint ventures like the Sapura-Nokia are what we will like to see more of in the country," he said.

Sapura-Nokia Telecommunications (SNT) is a joint venture among Sapura Holdings Sdn Bhd, Mega Team (M) Sdn Bhd, a wholly owned Bumiputera company, and Nokia Telecommunications OY of Finland.

The prime minister said he hoped that through joint ventures such as this, the transfer of technology to the local partner could be speeded up.

"It is the hope that with more joint ventures between local and foreign companies, the development of technology of local industries can be expedited," he added. -- more

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Dr Mahathir said it was important for local companies to undertake training programmes to upgrade the skills of their workers and to introduce them to new skills.

Workers equipped with various skills would find it easier to make the necessary adjustments and changes brought about by new technology, he said.

"Therefore, the initiative of Sapura-Nokia Telecommunications Sdn Bhd to set up a training centre with an intensive programme to transfer technology is most appropriate and in keeping with government policy," he said.

Dr Mahathir said the telecommunications industry was one of the important contributors to national economic development.

He said the industry had recorded double-digit growth over the last five years, an achievement he described as encouraging. -- more

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Dr Mahathir cited the example of telephone subscribers, saying their number had risen from 169,600 in 1975 to 1.58 million in 1990.

"Today, there are about 2.3 million telephone subscribers," he said.

He said that based on the current encouraging rate of economic growth, it was anticipated that Malaysia would require 6.5 million telephone lines by the year 2000.

Dr Mahathir said that though the export of telecommunications equipment had risen from Rm1.23 billion in 1990 to Rm1.97 billion in 1992, the import of such equipment had also gone up.

In 1992, telecommunications equipment valued at Rm1.33 billion were imported, an increase of 46 per cent over the value of their imports in 1990.

"Therefore, the future is bright for the industry producing telecommunications equipment," he said. -- more

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Dr Mahathir told reporters later that local companies must be active recipients of foreign technology so that they can master the technology.

He said Malaysia did not require passive foreign investors who did not want to share their technology with local companies, or foreign companies which only "loaned their names" to local companies.

Dr Mahathir said many local entrepreneurs had successfully assimilated foreign technology until they were able to establish their own electronic factories.

"Malaysian (electronic) companies can now produce goods for other companies," he said.

The prime minister said local entrepreneurs could not cease to receive foreign technology because it was not static but changed as it was further developed.

"But if we already have the basis of foreign technology, we can follow developments in research and can invent goods in accordance with their principles," he said. -- Bernama

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