

Don't be duped, PM tells local workers

By Vijayan Menon

SHAH ALAM, Sat. — Workers should not be influenced by foreign quarters and resort to industrial action in seeking higher wages, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said foreigners, especially Europeans, wanted to see industrial unrest in Malaysia as this would lead to local companies and businesses making losses.

"Malaysia will not be able to compete with them and with this, investments will start flowing back to their countries.

"The way to remain competitive is for workers to increase their efficiency and productivity," he told reporters after opening the S.E.H. (Shah Alam) Sdn Bhd factory.

The function is in conjunction with the 22nd anniversary of S.E.H. Malaysia Sdn Bhd and launching of S.E.H. Techno Service Sdn Bhd.

Asked to elaborate on his speech earlier when he urged local workers to be wary of those who tried to induce them to resort to industrial action to get higher wages, Dr Mahathir said if there were problems, they should be solved through negotiations.

In his speech, Dr Mahathir said the country's aim was to ensure that the income of Malaysians was on par with those in developed countries.

"But resorting to industrial action is not the way to achieve this. The way is to increase efficiency so that our productivity will be higher than those of the developed nations.

"This will allow us to continue to be competitive globally."

He said if there were foreigners who tried to influence local workers to take industrial action then for sure their aim was not to help the workers, "but to destroy our competitiveness so that they (the foreigners) can regain their market supremacy."

Citing the example of the Generalised System of Preferences (GSP) privileges

withdrawal, Dr Mahathir said it was an instance of their bad intention.

"This is because Malaysia has not attained the newly industrialised country (NIC) status as our per capita income is only US\$3,500 (RM8,750) and not US\$8,000 (RM20,000) which is the yardstick to determine an NIC."

Asked by reporters whether the GSP withdrawal would have a dire effect on the economy, Dr Mahathir said "it would have some effect".

"In the short term, some industries will be affected and will probably lose some profits or make losses. But we have to make efforts so that we are able to compete even without any concessions."

Asked whether Malaysia would appeal against the withdrawal, the Prime Minister said: "Why should we appeal? If we were to appeal, then they will pressure us further."

The withdrawal, he said, showed that they were not sincere or fair and discriminated against Malaysia.

"The GSP, in the case of other countries was withdrawn only when they had crossed the US\$8,000 per capita income cut off point but in our case it was done so even before we attained it ... in fact we are far from it."

Asked whether he had asked the United States for an explanation, Dr Mahathir said: "No, I am not asking for any explanation."

In his speech, Dr Mahathir said S.E.H. (Shah Alam) Sdn Bhd had invested RM800 million for establishing the plant and this showed that Malaysia was an ideal location for long-term investments.

"Since the setting up of the first semi-conductor plant in Penang in 1972, the export-based electronics industry has developed rapidly, becoming a major contributor to the nation's

economy."

He said Malaysia was the largest exporter of semi-conductors in the world and the third largest manufacturer of the component.

"I understand with this investment by S.E.H. (Shah Alam) Sdn Bhd, Malaysia will become the biggest producer of silicone wafers in the world."

He said after silicone wafers, Malaysia aspired to venture into downstream activities such as wafer fabrication, designing microchips and producing higher quality consumer electronic items.

"We need plants such as S.E.H. (Shah Alam) which are fully automated and make use of sophisticated technology. Such capital and technology-intensive factories will provide higher wages through greater efficiency."

Dr Mahathir said workers and engineers must strive hard to keep abreast with the latest technology as today's sophisticated technol-

ogy became obsolete within a short span of time.

"There is no knowledge or skill which cannot be acquired by skilled workers and engineers who are really interested and are willing to train and be trained."

He said Malaysians should be confident that they too could do anything that could be done by others.

Dr Mahathir said at one time Malaysians were believed to be capable of only harvesting padi or rubber tapping.

"The ability to produce manufactured goods was a mystery which apparently Malaysians could not master. However, what we are able to do today could not be dreamt of by Malaysians 20 years ago.

"As such, do not be easily disheartened as success can be achieved ultimately," he said.

Asked whether he was happy with the level of technology transfer in the country, Dr Mahathir said there was greater transfer of technology to locals by foreign companies.

Dr Mahathir said though the level of technology transfer was not adequate, it was increasing as time passed.

Citing the example of the silicone wafer manufacturing plant here, S.E.H. (Shah Alam), Dr Mahathir said this factory had designed and built its own machines which were so good that they were able to sell them abroad.

"Malaysians at the factory are also able to train American and British workers at the plant. This is progress that we can be proud of."

Dr Mahathir was responding to a question of whether he was satisfied with the level of technology transfer taking place in the country.

The Prime Minister also received two cheques worth RM100,000 and RM50,000 as donations on behalf of Bakti from S.E.H. Group of Companies. Malaysia's chief executive officer Y. Kitamura and the company's director-cum-shareholder, Abul Hasan Mohamed Rashid, respectively.