

# Reasons for striving to succeed in making aviation components

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MALAYSIA's competitive edge and low inflation are part of the reasons why it is more determined to succeed in the manufacture of aviation components using composite parts and turning Kuala Lumpur into the regional hub for travel, Datuk Seri Dr Mahathir Mohamad said yesterday.

The Prime Minister said the nation had the competitive edge of many others with similar intentions because of its sound economy, low inflation, skilled labour and liberal education.

He was speaking during a dialogue with participants of the two-day Lima '95 Aerospace conference after delivering his keynote address.

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Asked to elaborate on his plans to make the Federal capital a regional travel

hub, he said travellers should make Kuala Lumpur their first choice of destination rather than Singapore as this would involve reciprocal rights.

"We think, in the future, people will want to come to Malaysia because they want to do business before going to Singapore," he said.

Tourists, he said, were now staying longer and as such the capacity was there to promote the nation and the aviation industry.

Responding to queries on plans for the aviation industry, he said there was no intention to duplicate other nations in the region but to develop support industries using composite materials.

"We are not overambitious; at the most we want to assemble small aircraft," he said.

Malaysia, he said, was in the process of developing guidelines for the aerospace industry, a point he had mentioned in his speeches when opening Lima '95 in the morning and in his keynote address.

Dr Mahathir said the Government was prepared to give all the help to co-operate with the private sector to encourage investment in this field.

Although the Government will not finance or provide capital for investments it is always very supportive of foreign investors.

"We are very business friendly and welcome all — big or small," he said, adding that the Government was very accessible.

With an open economy, Malaysia will continue breaking down trade barriers and would woo companies from developed countries rather than its Asean neighbours as they offer the same opportunities.

Malaysia's satellite programme, said Dr Mahathir, would be used very widely and communications and broadcasting was seen as a growth industry.

"We think other countries too should have facilities to broadcast news and knowledge," he said, adding that there was still a lot of room

for other players in the industry besides CNN, the BBC and Rupert Murdoch.

On education with the aim of having more skilled manpower, he said a Bill would be introduced to liberalise education and allow English to be used alongside Bahasa Malaysia.

Foreign universities will be allowed to open branches besides the present twinning facilities, a move that would encourage more companies to train their workforce here.

"We are going to become a centre for education."

Speaking to reporters later, Dr Mahathir reiterated that Malaysia was not involved in any arms race.

The buying of new aircraft is to replace ageing planes and does not discriminate any country in its purchases.

On the proposed purchase of main battle tanks, he said it was to enable Malaysian forces to be equipped when called on to serve the United Nations peace-keeping forces.