

18 OCT 1996

KHAZANAH EARMARKS SEVERAL PRIORITY AREAS IN INDUSTRIAL SECTORS

By: Roslina Atan

KULIM, Oct 18 (Bernama) -- Khazanah Nasional Bhd has earmarked several priority areas of industrial sectors, including high-technology industries and new innovations which it will participate in future, Deputy Prime Minister Datuk Seri Anwar Ibrahim said today.

Anwar, who is also Khazanah's Deputy Chairman, said the latest joint-venture between Khazanah and MEMC Kulim Electronic Materials Sdn Bhd, a producer of silicon wafer which used high-technology production methods, was a fine example of such ventures.

Speaking at the ground-breaking ceremony of MEMC Kulim Electronic Materials Sdn Bhd at the Kulim Technology Park here, he said the electronics industry was the clearest example of how far, and how fast, Malaysia had progressed in its development.

It also indicated how far the country has yet to go to achieve its objective of becoming a secure, sustainable and fully developed economy, he added.

In 1970, he said Malaysia had only four electronic firms but at the end of last year, the number had risen to 850 with their exports touching nearly RM86 billion.

Anwar said while employment in electronics industries had risen to nearly 360,000 people, the value-added per worker in these vastly expanded manufacturing activities had remained static.

This being the case, the government no longer welcomed companies largely interested with product assembly services and with hardly had any product specification or designing or engineering programme to allow the local workers to improve on their technical knowledge and acquire new technological expertise, he said.

Anwar, who is also the Finance Minister, stressed that the country needed to have its own intermediary goods to balance the country's current account deficit.

"For every ringgit of export, 85 cents is spent on imports of intermediary goods which means the amount from export by our local industries is only 15 cents," he said, adding that Prime Minister Datuk Seri Dr Mahathir Mohamad had ordered the matter to be redressed in the next Budget to be tabled on Oct 25.

Anwar also pointed out that the qualitative transition to a new kind of development growth needed also to be created by a concerted effort, in partnership between local entrepreneurs, the workforce, foreign investors and the government.

He reiterated that foreign investors must also be willing to share some of its technological know-how and provide some form of training to ensure local companies were able to produce components of the highest quality.

Earlier, MEMC Kulim Electronic Materials Inc President Samuel Tennison said the joint-venture would be the first fully integrated silicon manufacturing facility in Southeast Asia involving crystal growing through polishing, and the manufacture of epitaxial wafers.

He said the company's plant would soon be able to support the production of 350,00 silicon wafers per month, adding the product would initially be exported to Singapore, Thailand and Japan.

Also present at the ceremony were Kedah Menteri Besar Datuk Seri Sanusi Junid, Pulau Pinang Chief Minister Tan Sri Dr Koh Tsu Koon, Deputy Minister in the Prime Minister's Department, Raja Datuk Ariffin Sulaiman who is

Member of Parliament for Baling, Khazanah Managing Director Tan Sri Mohd
Sheriff Kassim and MEMC Electronics Materials Inc Chairman Erhard Meyer
Galow. -- BERNAMA
RA SHY