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Mahathir-Industry

CHEMICAL INDUSTRY ENCOURAGED TO GO FOR VALUE ADDED

KUANTAN, March 17 (Bernama) -- Malaysia will continue to develop the chemical and chemical products product in the next 10 years under the Second Industrial Master Plan in line with Malaysia's strategy to go global, Prime Minister Datuk Seri Dr Mahathir Mohamed said today.

He said that in line with the double manufacturing strategy, the industry would be encouraged to switch to value-added activities.

Under the master plan, polymer was also expected to go for high-end product activities and development with greater added value, he said when opening a plant belonging to W.R. Grace Packaging Malaysia Sdn Bhd here.

Dr Mahathir said the chemical and chemical product industry was expected to contribute significantly to the country's economy in years to come.

The output value of the industry, excluding petroleum and natural gas, was estimated at RM11.6 billion in 1995 while the exports of chemical and chemical products (including plastics) were RM5.7 billion.

Dr Mahathir said the sector recorded an average growth of exports of 33.9 per cent compared to 25.8 per cent average growth of the manufacturing products for the five-year period up to 1995.

In the chemical and chemical products sector in Malaysia, fabricated plastic product was one of the most dynamic sector where in 1996 the sale value of the industry was estimated at RM5.5 billion and 30 per cent of it came from packaging sector.

As such, he said the packaging sector was expected to continue to grow together with the country's economic growth and as the people became more affluent.

Dr Mahathir said the investment made by W.R Grace was in line with the emphasis given by Malaysia for the manufacturing sector to produce high-tech goods for the world market.

He was glad that Florida-based W.R Grace had chosen Malaysia to locate its plant in Malaysia.

He believed this would benefit other multinational corporations scouting for opportunities to expand their business in the country having the dynamic economic growth.

WR Grace produces specialised shrink film and is also the world leading producer of refinery and polyolefin catalysts, speciality polymer and medical products such as dialysis solutions.

Dr Mahathir said these products were of the high end sector of the chemical and medical products which Malaysia hoped to develop in the future.

He hoped W.R Grace would increase its investment in the country apart from expanding and diversifying their initial operation like other American companies in the country. -- BERNAMA

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