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Companies to relocate and expand operations despite crisis

A NUMBER of foreign companies are planning to relocate and expand their operations in Malaysia following the "conducive economic environment" as a result of the weaker ringgit.

Deputy Minister of International Trade and Industry Datuk Kerk Choo Ting said on Saturday the economic crisis was not a drawback to some foreign investors to transfer their operations from their countries to here.

Kerk said his ministry expected an increase in foreign investments.

"This shows that foreign investors are not worried about the volatile ringgit but instead have a lot of confidence in our country," he said after chairing a forum on the Malaysian Economic and Current Issues organised by the State Gerakan party.

Kerk said foreign investors also wanted to participate in the Multimedia Super Corridor projects.

He said Malaysia was seen as one of the countries that had an effective leadership and efficient administration, particularly in tackling challenges and crisis management.

He said Malaysia is experienced in tackling such situation as the country had gone through worse situations like the economic slowdown in 1985 under the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said proposals on currency regulations were being considered by the International Monetary Fund which indicated that the country's opinion was taken seriously by the international community.

Kerk also called on local industries to increase their exports, especially to the Asean region.

"While there is plenty of room to export Malaysian products, we have not done enough to promote our products in other countries," he said.

He added that local industries should not only concentrate on expanding their business but also increase their exports to strengthen the country's economic stability.

Citing Manila, Kerk said the supermarkets were flooded with the American and Japanese consumer goods which meant that Malaysians have yet to explore the market.

He said MITI's Industrial Master Plan II (from 1996 to 2005) encouraged high value-added goods with more local content, indigenous company and indigenous brand name to be sold in other countries.

"The local industries need to increase productivity and export to lift the country from the current predicament," he said.

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