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Mahathir-Labour

FIRMS EXPORTING ALL THEIR GOODS ALLOWED TO USE FOREIGN LABOUR

KUALA LUMPUR, Nov 29 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today companies that export 100 per cent of their goods and services are allowed to use existing foreign workers or bring in new ones.

The Prime Minister said the government at the same time continued to encourage the industries to use automation or robots as they had proven to improve productivity.

"We have shifted our policy slightly to allow companies that are 100 per cent export-oriented to use foreign workers, as far as possible those who are already here," he said.

If the workers could not be found here the companies would be allowed to bring in people from other countries, he told a news conference at the Sultan Abdul Aziz Shah airport in Subang upon returning from a two-day working visit to Tokyo.

The Prime Minister had prior to that attended the Asia-Pacific Economic Cooperation (Apec) forum in Vancouver, Canada.

In a keynote address at a dialogue with 36 Japanese business leaders in Tokyo yesterday, Dr Mahathir said Malaysia had dropped its policy of discouraging labour-intensive industries but only for those that were export-oriented.

Asked at today's press conference if the move would not result in an outflow of foreign exchange from the country as the workers sent home their money, Dr Mahathir said if there were no labour-intensive industries then there would neither be inflow or outflow.

"It's better to have the industries, we can produce goods that are 100 per cent for export and this will result in an inflow of foreign exchange," he said.

Dr Mahathir said foreign workers did not send back to their countries all the money they earned as they would have to spend some of it within the country, and this money would remain in the country.

Asked if the decision to allow foreign workers in export-oriented industries meant state governments could now organise trade missions abroad more actively, the Prime Minister said: "Only where necessary."

He said state governments were still required to obtain federal government permission before organising such missions as the federal government wished to know the objective and the expected results of the mission.

"And the type of foreign investment has to be in the production of goods or provision of services. Not foreign investments like buying shares to sell," he said.

On the membership of the National Economic Action Council (NEAC), Dr Mahathir said the government had already decided on it but was not prepared to announce it now.

He said the membership structure, action plan and powers of the council would be made known when it is launched next month. -- BERNAMA

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