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Mahathir-industry

SHIFT TO HIGH VALUE-ADDED MANUFACTURING, DR MAHATHIR TELLS INDUSTRY

KUALA LUMPUR, Dec 18 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today urged the industrial sector to facilitate a shift to higher value-added manufacturing and increased application of technology by firstly training knowledge workers.

He said they would also have to readjust manufacturing operations to cut down on realiance on labour.

"Non-export oriented industries should reduce dependence on foreign labour which is mostly untrained and unproductive," he said when presenting the 1997 Industry Award for Excellence.

Reliance on foreign labour would not bring about increased productivity, he said.

Dr Mahathir called on the industry to be more sensitive towards applying new as well as improved technologies to effect innovation and reinforce the national technological base.

Dr Mahathir said industry should make the most of the various facilities made available by the government to enhance investment in technology.

These include separate funds for commercialisation of local R&D and for local industry to acquire foreign strategic technologies.

Despite the national economy being under pressure and having to face up with challenges, the manufacturing sector performed confidently and convincingly by contributing 78.2 per cent of national export earnings in the first seven months of the year.

Over the same period, the sector, spurred by the growth of the export-oriented industries, grew by 13.3 per cent.

"The government is confident that the manufacturing sector's performance would live up to expectations and that it would continue serving as a vital catalyst for national economic development," he said.

Dr Mahathir said the service sector would also have to be turned into a productive and competitive sector based on local resources of professional expertise.

He said presently the country depended much on foreign expertise and professional services causing foreign exchange outflow.

This situation must be rectified through reinforcement of the service sector so that it could effectively contribute to national economic growth and correcting the country's balance of payments.

"Information Technology (IT) is one weapon which can increase industry's productivity and competitive edge," he said.

There was already wide-spread use of IT in business now and those neglecting to adopt it would face a dormant and crowded business world, he said.

As such the prime minister urged local companies to capitalise on the development of the Multimedia Super Corridor (MSC), a 750 sq km south of here devoted to the promotion of multimedia products and services.

"Local companies need to make the most of opportunities in producing multimedia software, automation equipment and robotics made available by the MSC," he said.

The advent of the 21st century would see the country needing more techno-entrepreneurs who could combine capability to apply technologies with managerial expertise, he said.

He said it was required of these techno-entrepreneurs to be bold in

taking risks by venturing into non-traditional markets and exploring new fields such as IT and multimedia technologies.

The industry award for excellence was organised by the International Trade and Industry Ministry. -- BERNAMA

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