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Anwar urges mobile phone companies to merge

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DEPUTY Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim yesterday urged telecommunication companies to consider merging and assisting the Government in enhancing the country's telecommunications infrastructures.

He said at present telecommunications services in the country is still "very inadequate" and efforts must be made to further improve the related infrastructure.

"The quality of service must be enhanced.

"We are not satisfied, partly because all the infrastructures are not in place," he said when opening Ericsson Mobile Telecommunications's new plant in Shah Alam yesterday.

Anwar said Global System for Mobile Telecommunications (GSM) and Personal Communications Network System (PCN) operators need to set up about 1,200 and 2,500 stations respectively.

The Deputy Prime Minister also said there is still "an extraordinary amount of static" when one uses his handphone in the country, indicating that the infrastructures are still inadequate.

On Ericsson's new plant, Anwar said he is grateful that the company had chosen Malaysia as its first location in the Asia Pacific region to manufacture and distribute mobile phones.

He added that Ericsson's decision in choosing Malaysia goes to show that the country is stable in terms of political economy and social environment.

Anwar said Malaysia, particularly under the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad, has shown that it is consistent in its policies when it comes to foreign investments.

He noted that elements like political stability and macro-economic stabilisation process are critical to instil confidence among investors towards a country.

"We have adjusted our fiscal policies and even taken unpopular measures at times to ensure that the macro-economic stabilisation process proceed uninterrupted," he added.

Anwar also urged Malaysian workers and young professionals to continue broadening their horizons and improve their capabilities.

He added that they should take the cue from Dr Mahathir who spent the whole of yesterday listening to the inputs of international captains of industry involved in the Multimedia Super Corridor project.

"We appeal to them (the workers) to continue to learn, to prove that Malaysians can perform excellently," he said.

Meanwhile, Swedish telecommunications giant Telefonaktiebolaget LM Ericsson is extremely confident in the success of Malaysia's Multimedia Super Corridor (MSC) and aims to have another MSC-status subsidiary.

Visiting president and chief executive officer Dr Lars Ramqvist said the company currently has one MSC-status subsidiary involved in Information Technology (IT) management and operating systems development.

"The second one will be in data communications. We hope to have it by the second quarter of the year," he told a press conference after the launching of Ericsson Mobile Telecommunications's new plant by Anwar.

The plant is Malaysia's first mobile phone factory belonging to the Swedish telecommunications giant.

The Ericsson Mobile Communications Sdn Bhd plant will manufacture and

distribute mobile phones mainly for the Asia-Pacific region.

Ericsson's involvement in Malaysia began 33 years ago when the company was awarded a contract to supply equipment to the then Jabatan Telekom Malaysia.

Ramqvist also said Ericsson registered US\$20 billion (US\$1 = RM3.74) sales last year and employed 100,000 people in 130 countries.

Out of this, US\$3.5 billion was from the Asia-Pacific region.

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