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`Electronic city' to be set up in Klang Valley

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KUALA LUMPUR, Fri. - An "electronic city" selling various electrical and electronic goods is expected to be set up here next year, Domestic Trade and Consumer Affairs Minister Tan Sri Muhyiddin Yassin said today.

He said the ministry had taken the initiative to discuss the plan with electrical goods manufacturers, City Hall and a real estate agency to identify the most suitable site.

"During the initial discussion, response from those in the industry is good as this may be the other alternative for them to sell their products," he said after launching the annual Malaysia Audio Show 2000.

The three-day Malaysia Audio Show 2000 at the Legend Hotel here is organised by Tanway Sdn Bhd and the New Straits Times Group and has 63 participating companies.

Also present were group editors of the New Straits Times Ahmad A. Talib and Berita Harian Datuk Ahmad Rejal Arbee.

The electronic city, Muhyiddin said, would be similar to the Akibara Electronic City in Japan which functions as a one-stop-centre for electrical goods.

"The plan was the brainchild of Prime Minister Datuk Seri Dr Mahathir Mohamad. It will in the long run provide consumers with more choices of goods."

On whether such a system (selling goods under one roof) would be extended to other products, he said the ministry would concentrate on the electrical and electronic goods first.

On whether the Government might offer incentives to companies wishing to set up business in the electronic city, he said, the ministry would look into the matter if there was such demand made by the industry.

Earlier, in his speech, Muhyiddin said the improvement in the economy was a good indicator of the development of other sectors of the economy like manufacturing and distribution and trade.

He said the industrial sector had recorded a growth of 8.9 per cent last year compared to the negative growth of 13.7 per cent in 1998.

"This is due to the rising demand for and exports of electrical and electronic equipment and appliances.

"The total export value for last year stood at RM188.2 billion."

At the same time, he said, the value for the trading sector was looking good and expect to soar to a new peak.

Muhyiddin said the value for the wholesale and retail sector including hotel and restaurants for last year stood at RM28.6 billion which was 15.2 per cent of the GDP.

"Consumer optimism also soared to a new peak in the third quarter of 1999, even the business community is becoming increasingly optimistic and expects strong new orders and an increase in sales in the coming months," he added.