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Mahathir-Workers

FOREIGN COMPANIES TICKED OFF FOR PULLING OUT OF MALAYSIA

KUALA LUMPUR, May 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today ticked off some foreign companies who had the tendency to relocate their operations to other countries where the cost of production was cheaper but this had resulted in thousands of workers here losing their jobs.

He said this was one impact of the globalisation era and borderless world which must be solved jointly by the government, employer and employee.

"The challenge posed by globalisation is that when we allow foreign capital to come in, we are also forced to allow the capital to be pulled out and this means jobs lost," he said.

He cited an example of about 14,000 local workers who recently lost their jobs when their company seized operations on the pretext of globalisation.

Dr Mahathir added that in general companies relocated their operations to other countries like China where the cost of production and labour were cheap.

"This is a problem for us as foreign investors only looked at profits," he said in his address at the 2001 Workers Day Rally for the public sector held at the National Institute of Public Administration here.

Dr Mahathir said globalisation had also resulted in foreign companies and financial institutions merging to become gigantic bodies in a move to make a big entry into less developed countries.

He said those in the West were now asking, through the World Trade Organisation, for national status to be accorded to companies which wanted to penetrate various sectors of the economy of other countries.

Dr Mahathir said under foreign control, workers may be paid higher wages but there was nothing to stop the companies from retrenching their employees for whatever reason.

"This is the habit of some companies, to retrench workers. Now we can still overcome the problem but in future, we may not be able to look after the interest of workers.

"What is important is for the government, employer and employee to unite or else we will lose our freedom and independence," he said.

The Prime Minister also called on the people not to be taken in by foreign media reports which were full of propaganda on the benefits of globalisation as perceived by the West.

However, Dr Mahathir said globalisation can be remodeled in such a way that it would reap profits as well as benefits to the country.

He praised the good ties existing between the government and employees, including those under the umbrella organisation of Cuepacs, and their considerate attitude in voicing claims.

"Workers in Malaysia are not militants. They make claims which they perceive as fair to them. And if it cannot be fulfilled by the government, they do not resort to violence," Dr Mahathir said.

Apart from wanting local workers to understand the true meaning of globalisation, he advised them to equip themselves with knowledge on information and communication technology in an effort to enhance national productivity.

Dr Mahathir said the government was willing to allow its staff to opt for early retirement if they wanted to get into business which was related

to information technology, on condition they made the necessary arrangements.

He added that increased productivity was necessary for the country to stay ahead of industrialisation which is a far cry from the days when the country depended on natural rubber and tin.

The Prime Minister said Malaysia was expected to exports goods worth RM380 billion this year, with manufactured goods comprising 82 per cent of total exports. Electronic products was expected to make up 52 per cent of the manufactured products to be exported.

Dr Mahathir said the public and private sectors were aware that the productivity of their employees must be improved further if the proposal to have minimum wages of RM1,200 was to become a reality.

The Prime Minister also said the government would strive to look after the welfare of workers especially with the implementation of the World Trade Organisation and the Asean Free Trade Area.

Speaking at a news conference later, he said retrenched local workers would be given priority over foreigners in placing them in new jobs.

He said retrenchment of workers was something that could not be avoided given the current economic downturn in the United States, one of Malaysia's major trading partner.

"We will have to find other jobs for them and we will give priority to our own people rather than foreigners," he said.

The Workers Day gathering was jointly organised by Cuepacs and the Public Services Department.

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