

25/04/2001

Penang's manufacturers happy with plan incentives

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THE incentives outlined in the Eighth Malaysia Plan by Prime Minister Datuk Seri Dr Mahathir Mohamad have been hailed by Silicon Island manufacturers.

Free Industrial Zone Penang Companies' Association (Frepenca) president Wong Siew Hai said the Plan was "good for the country" as the blueprint was "consistent and investor-friendly. Many needs on our wish-list have been addressed by the Prime Minister," he told the New Straits Times.

Frepenca's membership represents some 60 companies in Penang, the majority of which are electronics-based.

Wong said the attention accorded by the Government to areas like human resources development, industrial development, science and technology and research and development placed Malaysia in good stead in expanding the country's manufacturing base and making it value-added.

"While Penang has gained strength as a manufacturing base, the Plan, in making small- and medium-scale enterprises resilient by providing more focused incentives for high value-added industries and the promotion of R&D, will help to take Penang and Selangor companies further up the technology chain," he added.

For over three decades, Penang has served as an offshore manufacturing hub for technology giants like Intel, Motorola, Hewlett-Packard, Robert Bosch, Seagate, Dell, Iomega and Xircom.

Malaysia's plan for greater investment in human capital was also lauded by Frepenca as the move is viewed as "critical" by investors.

"The human resources capability of a country," said Wong, "is important to an investor in determining whether a particular country's workforce is capable of supporting whatever technologies they plan on bringing in."