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CHUA-CHINA

DON'T LOOK AT CHINA'S ACCESSION TO WTO AS A THREAT, SAYS CHUA

KUALA LUMPUR, Sept 9 (Bernama) -- Malaysian manufacturers, especially small and medium scale industries (SMIs), should not look at China's accession to the World Trade Organisation (WTO) as a threat, said Health Minister Datuk Chua Jui Meng.

Instead, the accession could present an immense business opportunity for Malaysian businesses, he said.

In this aspect, Malaysia could also be China's dynamic partner, he said at a press conference on the Malaysia-China Economic Conference 2002, here today.

Chua said that many viewed China's accession to the WTO as a threat to Malaysian businesses, as China offered low production cost and has a huge domestic market, which has drawn in huge foreign investment.

Multinational companies (MNCs) were now relocating to China and this has created a setback for the Southeast Asian economies, he said.

But China's newly acquired wealth would also create a huge market and demand for goods and raw materials.

"And these would present immense business opportunities for Malaysian businesses, and this country can be a dynamic partner to China," said Chua, who is also chairman of the National SMI Consultative Centre.

Meanwhile, he said that the conference, organised by the National SMI Consultative Centre, will provide a timely opportunity for the Malaysian business community, especially SMIs, to deliberate on the impact and prospects of China's entry into the WTO.

Prime Minister Datuk Seri Dr Mahathir Mohamad is scheduled to deliver his keynote address and officiate the one day conference on Oct 8, 2002.

Meanwhile, executive director of FACB Industries Incorporated Bhd, Chua Tiam Wee, said that China could be "our single largest market, for example in stainless steel production, China is now the largest consumer overtaking Japan and the US."

Tiam Wee, who is also the conference's working committee chairman, said that the conference targeted participants from the SMIs as they were among the economic sectors in this country affected by the emergence of China as the world's biggest economic power.

He said that China's entry into the WTO would see many MNCs relocating their businesses to China and this would create a lot of opportunities for the SMIs to supply goods and raw materials to the MNCs.

He said that with the increase in purchasing power and demand for consumer goods, luxury goods and services, the SMIs should grab this opportunity to relocate their businesses in China or supply their goods and services to that country.

The conference is expected to attract 1,000 participants mainly from the business community. -- BERNAMA

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