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MAHATHIR-HONDA

MAHATHIR WANTS HONDA TO UP INVESTMENT IN MALAYSIA

ALOR GAJAH, Jan 30 (Bernama) -- Datuk Seri Dr Mahathir Mohamad wants Honda, Japan's number one car manufacturer to turn its Malaysian manufacturing operation as a components producer for its plants outside the country.

A further investment in parts and components production as well as in the setting up of training facility for Honda mechanics in Malaysia is welcome, the Prime Minister said when opening Honda's 20th automobile manufacturing plant in HICOM Pegoh Industrial Park here today.

Spread over 32 hectares, the new plant is split into three zones, comprising the main plant which houses the automobile assembly activities, a constant velocity joint (CVJ) factory and a completely built up pre-delivery operation centre.

The plant, Honda's first automobile manufacturing plant in the country also boasts its own test track, built to Honda's international standards.

The factory has an initial production capacity of 200,000 vehicles per year and is expected to be an important focal point for Honda in the Asean market.

Dr Mahathir said it was timely for Honda to raise its investment in component production at the plant given the satisfactory product quality and the skillful mechanics of the new RM170 million factory.

The plant could produce components such as small engines, generators, outboard motors and motors for Honda cars, he said.

"If it (additional investment) is not for the whole production (of cars), at least the investment is for some of the components manufacturing in Malaysia," Dr Mahathir said.

Stressing that he would like to see Honda's manufacturing operations in Malaysia becoming the engine of growth for the country's export, he said the Honda brand name would help sell the locally-made Honda products.

At present, the new Honda plant produces drive shaft which have been exported to Thailand since November last year.

Dr Mahathir said he would like to see more such production and being later exported to Honda factories in Japan, Belgium and the United States.

Later at a press conference, Dr Mahathir said Honda had agreed in principle to the setting up of a training facility in Malaysia.

-- BERNAMA

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