

14/03/2003

State a magnet for investors

Sharanjit Singh

STEEPED in more than 600 years of history, Malacca is renowned as a popular destination among tourists from around the globe and is fast gaining a reputation as an ideal investment centre.

Despite being the smallest state after Perlis, Malacca is a cosmopolitan city and people from all over the world continue to shape its development and history.

Although the tourism and service industry is seen as a crucial component in ensuring Malacca's economic well being, the State Government is not resting on its laurels and is seeking alternatives to maintain the State's edge as an investment centre.

The influx of entrepreneurs from Japan, Taiwan, Europe, United States, Australia and Asia to Malacca is a testimony of the ideal investment climate provided by the State Government.

It is also proof that the State continues to be a magnet for investors, with the latest project undertaken by Japanese car manufacturer Honda.

It has set up a RM170-million state-of-the-art manufacturing and assembly plant in Pegoh, which was opened by Prime Minister Datuk Seri Dr Mahathir Mohamad in January.

Honda Motor Co Ltd of Japan owns 51 per cent of the company while DRB-Hicom Bhd has a 34 per cent stake and Oriental Holdings Bhd 15 per cent.

Chief Minister Datuk Seri Mohd Ali Rustam (picture) had pledged that the State Government was making every effort to achieve its aim of making Malacca an ideal investment centre.

He said the State had a conducive climate for investors, including productive labour force, good infrastructure and inexpensive land.

He has been reported as saying the State Government would strive to achieve its target of seven per cent economic growth this year.

He said the State Economic Development Unit and State Economic Council had been directed to formulate new strategies to spur economic growth.

Among priorities of the State Government is the tourism sector, which has been a key contributor to Malacca's progress.

Malacca recorded a rise in tourist arrivals last year despite a slump in global travel.

A total of 2.4 million people - with visitors from China topping the list, followed by those from Indonesia, Taiwan and Australia - arrived at its shores in 2002.

The number marked an increase of 14.7 per cent compared with the number of arrivals in 2001.

Besides proper planning and management of its tourist-related resources, the State Government gives great prominence to improving infrastructure and facilities.

This includes safeguarding historical buildings and landmarks to project Malacca as a living heritage state.

This is in line with its aspirations to be listed as a world heritage site under Unesco.