

Speech by YAB Datuk Hussein Onn, Deputy Prime Minister and Minister of Trade and Industry at the opening ceremony of the French Industrial and Technical Exhibition, Jalan Changkat Stadium, Kuala Lumpur on 14th November, 1973 at 4.00 p.m.

---

1. I deem it a privilege and pleasure to be associated this ~~morning~~<sup>evening</sup> with the opening of the French Industrial and Technical Exhibition and for being given the opportunity of addressing such a distinguished gathering.

2. First of all I would like, on behalf of the Government and people of Malaysia, to extend a very warm welcome to the Honourable Mr. Valery Giscard d'Estaing, the French Minister of Finance and Economy and the distinguished guests and officials from all over France and the neighbouring countries of South East Asia who have come to see this exhibition.

3. We in Malaysia are very proud of the fact that you have chosen Kuala Lumpur, our capital city as the venue for your first major trade promotional effort in this region. I am told that 120 firms represented by 400 directors and engineers from France are here to display their latest equipment and discuss any technical problem of interest with local industrialists and that the cream of your industries are being represented in this exhibition. This certainly is a reflection of how well you regard this country as an expanding market for your quality industrial and chemical products. In addition, a Trade Mission comprising members of the French Chambers of Commerce is also down here to study the investment climate and assess the possibilities of further increasing the two way trade between France and Malaysia. Needless to say, all this augurs well for

the future and I am confident that this exhibition together with the visit of the Trade Mission, and, above all, your visit to our country will foster a closer economic relationship between our two countries.

4. Malaysia regards France as an important trading partner and I am happy to note that trade relations between our two countries have been growing stronger with each passing year. Both imports and exports have been growing steadily and over the past five years, total trade has increased by about 45%. The traditional exports to France are rubber, tin and timber. However, Malaysia is determined to diversify its exports by promoting the sale of processed and manufactured products such as timber products, textiles, rubber and foodstuffs.

5. On the other hand, Malaysia's main imports from France are cognac, motor vehicles and machinery. I am happy to say that French products are associated with quality and are popular among Malaysian consumers and I have no doubt that the products on display here will be equally well received.

6. In the field of manufacturing investment however, French investment in Malaysia is very insignificant and is confined only to the assembly of two kinds of French cars under licence, some equity participation in a few companies and an oxygen plant. Lately however, we have discerned an increasing interest in French industrial circles and we hope that the increased interest will lead to more French industrial ventures here. Very recently my Ministry approved a new Malaysian-French joint venture to produce transistor radios and cassette players for export. We like to think that this will be the start of many more ventures.

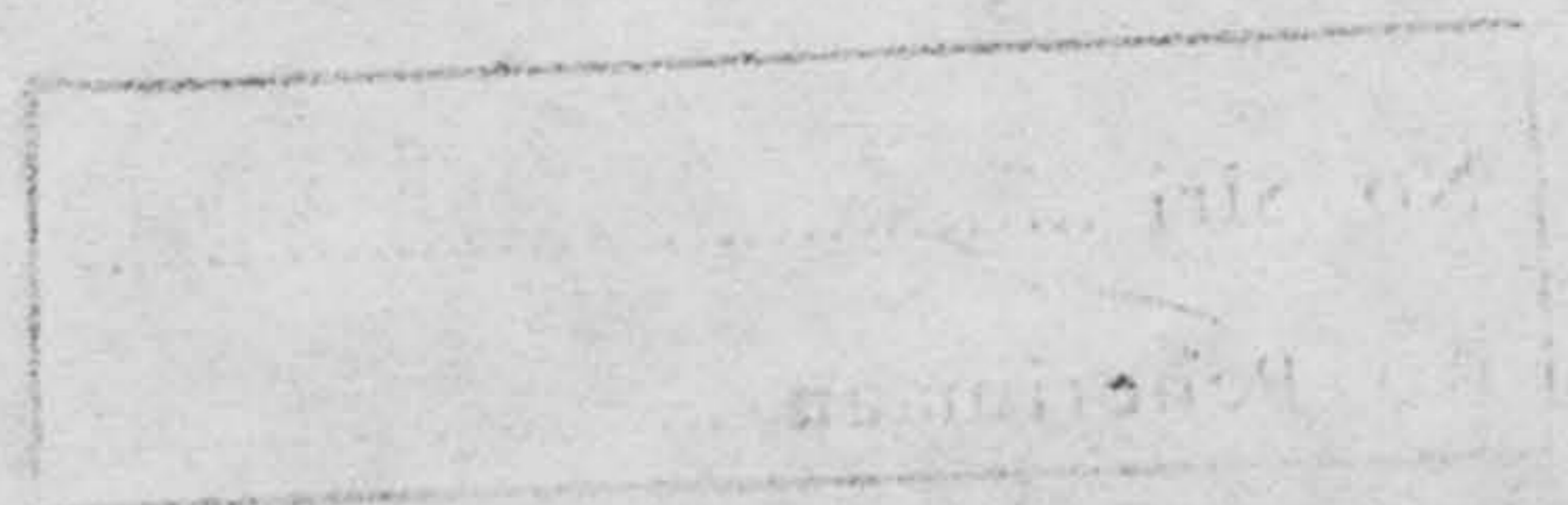
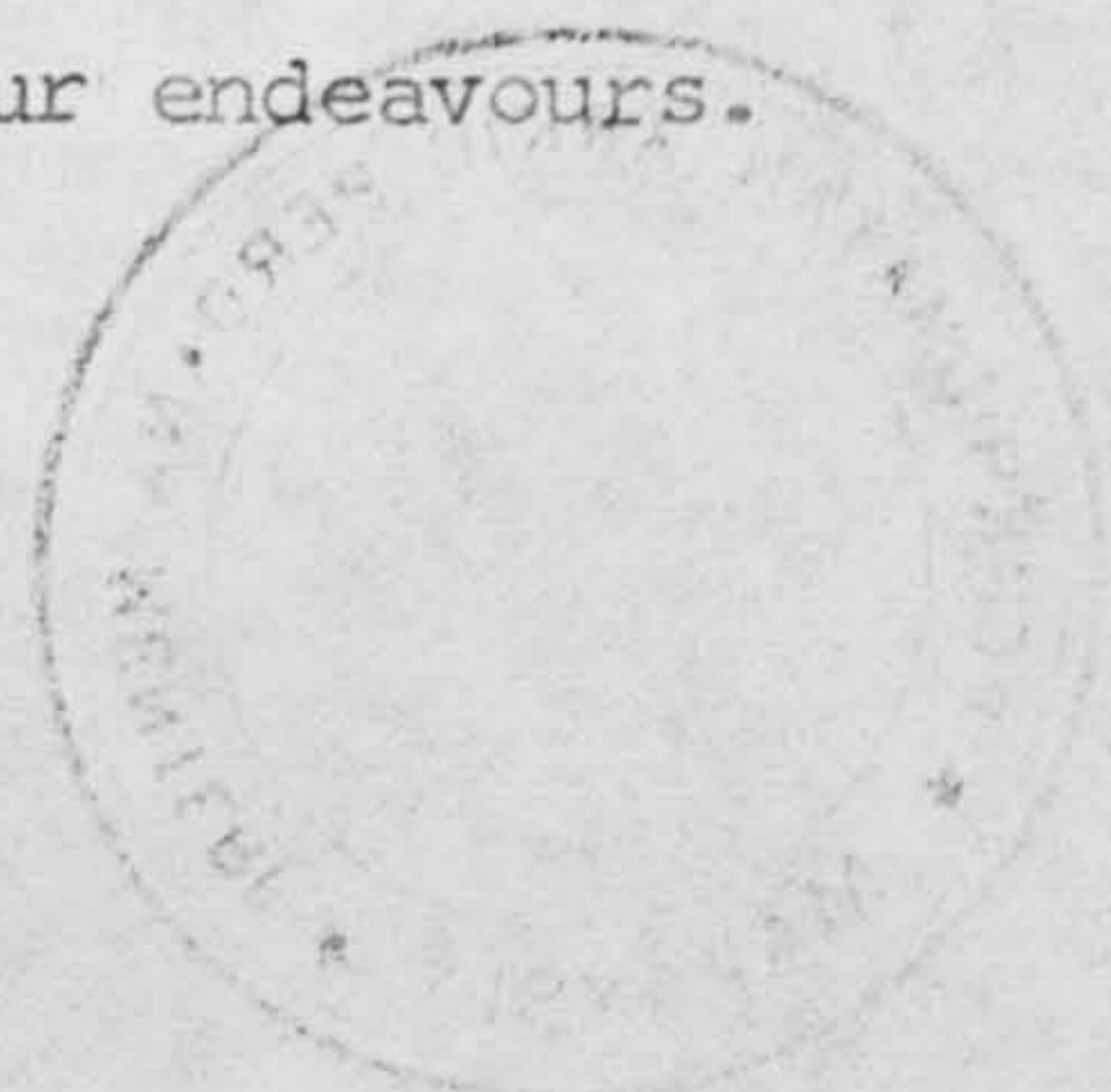
2. In this connection I would like to reiterate that Malaysia welcomes the inflow of French technological know-how, expertise and capital into Malaysia. I would like the industrialists among you to utilize your visit here in seriously examining promising investment ventures. We in Malaysia have identified that the industries showing the most promise are labour intensive and export oriented industries. There is also room for investment in the agro-based and resource-based industries and industries which lend themselves to backward and forward integration.

8. Foreign investment in Malaysia could best be utilized in four types of industries. The first category of industries - labour intensive industry - is encouraged so as to absorb the growing pool of labour available in Malaysia especially that of young workers. Thus industries such as the electronics components parts industries are encouraged. The second category is export oriented industries. Malaysia has now reached the stage in her development where import substitutes are becoming progressively difficult to identify and new investment would thus have to be increasingly channelled into industries which can be substantially export oriented in nature. The electronics industry also falls within this category as do a host of other industries that include electrical appliances, engineering products, professional and scientific equipment, optical goods and the like. The third group of industries which Malaysia is promoting is agro-based and resource-based industries particularly those industries which utilize primary products like rubber, tin, palm oil and hard woods. Finally, there is also potential in industries which can lend themselves to further integration with existing industries.

9 Apart from a stable political and economic climate conducive to investment, investors will find a host of other incentives and infrastructural facilities which would make Malaysia second to none in terms of investment opportunities in this part of the world. I would therefore exhort you to take the opportunity of your stay here to hold discussions with the officers of the Federal Industrial Development Authority, which is the body responsible for co-ordinating industrial development in this country, who will be glad to apprise you of the investment opportunities available in this country and the incentives offered by Government.

10. This trade exhibition has already generated a great deal of interest among business circles in Malaysia and all of them would be grateful for the opportunity given them to see for themselves the finest products France can offer. Likewise the technical seminars you are holding in conjunction with the exhibition will be beneficial to industrialists of both our countries. I am hopeful that this trade exhibition together with the visit of the Trade Mission will result in renewed interest not only in trade but more importantly in investment opportunities and that it will lead to the forging of important economic links between Malaysia and France which would be not only fruitful but also mutually beneficial to both of us.

11 I therefore have great pleasure in wishing you, the organisers and participants every success in your endeavours.



Apart from a stable political and economic climate conducive to investment, investors will find a host of other incentives and infrastructural facilities which would make Malaysia second to none in terms of investment opportunities in this part of the world. I would therefore exhort you to take the opportunity of your stay here to hold discussions with the officers of the Federal Industrial Development Authority, which is the body responsible for co-ordinating industrial development in this country, who will be glad to apprise you of the investment opportunities available in this country and the incentives offered by Government.

This trade exhibition has already generated a great deal of interest among business circles in Malaysia and all of them would be grateful for the opportunity given them to see for themselves the finest products France can offer. Likewise the technical seminars you are holding in conjunction with the exhibition will be beneficial to industrialists of both our countries. I am hopeful that this trade exhibition together with the visit of the Trade Mission will result in renewed interest not only in trade but more importantly in investment opportunities and that it will lead to the forging of important economic links between Malaysia and France which would be not only fruitful but also mutually beneficial to both of us.

I therefore have great pleasure in wishing you, the



No Siri	570
No Penerimaan	205/80

organisers and participants every success in your endeavours.