

SPEECH BY THE PRIME MINISTER AT THE DINNER OF THE FEDERATION OF MALAYSIAN MANUFACTURERS AT THE LAKE CLUB, KUALA LUMPUR ON 30TH NOVEMBER, 1972

Y.B. Tan Sri Nik Ahmad Kamil, Presiden, F.M.M., Dif-dif terhormat, Saudara-saudara sekalian.

Saya beserta isteri saya sangat berbesar hati atas jemputan saudara-saudara menghadiri majlis malam ini, lebih-lebih lagi menjadi tetamu kehormat Federation of Malaysian Manufacturers ini. Kami berdua mengucapkan berbanyak terima kasih kepada saudara-saudara sekalian, terutama kepada Y.B. Tan Sri Nik Kamil yang telah dipilih sekali lagi memimpin badan ini bagi tahun hadapan.

Sukalah saya mengambil peluang ini juga mengucapkan setinggi-tinggi tahniah kepada beliau atas perlantikannya itu dan saya percaya di bawah pimpinannya, F.M.M. akan mencatatkan banyak lagi kemajuan di masa akan datang.

Mr Chairman, Ladies and Gentlemen,

Only yesterday evening, members of our Club—the Lake Club—met in this very same place to elect the Club's officers for the coming year. I am very happy to say that your President was un-animously elected to be my Deputy, and I can think of no better choice than him to assist me with the Club as well as to lead the Federation of Malaysian Manufacturers. The most important thing to me is the knowledge that I can rely on him to take a greater share of the burden in running the Club's affairs in the face of increasing demand for better facilities from its members. I can assure you that they are more difficult to please than the electorates in my Constituency.

Ladies and Gentlemen,

I am indeed happy with the performance of your Organisation and particularly its efforts in accelerating the pace of industrial development in the country. When I addressed the National Chambers of Commerce sometime ago, I drew attention to the urgent

need of bringing more industries into the smaller towns and countryside in the less developed states. The same challenge is open to you. As your President pointed out just now, there is still considerable concentration in the West Coast States i.e. Selangor, Penang and Johor even to the detriment of other States like Negeri Sembilan and Melaka. This state of affairs is not desirable if we are to see a more balanced economic growth in the country.

The Government is fully aware of this and I am personally concerned if the existing policy and policy instruments are inadequate to meet the situation. To this effect, I have already directed a Committee under Tan Sri Raja Mohar to study ways and means of inducing industrialists to go to rural depressed areas by providing suitable incentives considering the location and prevailing circumstances.

I am happy to note that F.M.M. has already submitted recommendations on this same subject which I am sure will be given serious consideration by the Government. Once the matter has been finalised and necessary legislation made, I expect a new surge of activities in our rural towns.

On this point, I have great satisfaction in what I saw during my visit to Negeri Sembilan a few days ago, not only with the progress in the Senawang Industrial Estate but also in the town of Kuala Pilah and the Bahau area. Several new industries will begin operation in the very near future. This is the pattern I would like to see emerging in every state and to that end every State Government has been made aware of the need not only to expedite applications for industrial projects but also to provide the necessary infrastructure facilities for the industries to get launched off the ground without undue delay. If, inspite of this, any of your members or potential investors still encounter problems with regard to their projects, they are welcome to take up the matter with my Office for immediate action.

Ladies and Gentlemen,

We are fortunate that at a time when our traditional export commodities are facing problems of market and prices, we have been able to attract new industries into the country. There is a sudden electronics boom. The situation is very striking considering that at the beginning of the year, we did not have even one export-oriented electronics project in operation anywhere.

Within the past eight months, seven electronics factories have started production and nine are in various stages of implementation. More are on the way, not only for Penang and Kuala Lumpur but to other towns like Seremban, Melaka, Kuantan and even Pontian in Johor. We also have precision industries like the BOSCH in Penang.

However, while we gladly welcome this encouraging development, I am somewhat concerned with the rising cost of living as reflected by the price of locally manufactured goods. Admittedly, and to some degree, this is a problem of supply and demand but what seems equally important in the case of local manufacture is that our consumer public should be given satisfaction not only in terms of quality but also in terms of price.

It is understandable that in his operation, every manufacturer or industrialist would try to maximise profit in order to recover his capital investment within good time. While this is admittedly a reasonable proposition, I should like our Malaysian consumers to be really conscious of Malaysian made goods and thereby change their taste or habit to our own manufacture. Given good quality and reasonable price, I am sure this objective can be achieved. I hope F.M.M. members will give due consideration to this matter.

Ladies and Gentlemen,

Your President also touched on a number of other matters. The idea of having a permanent exhibition centre is an excellent proposition and as our manufacturing sector grows and expands, Stadium Negara will no longer be able to accommodate your future exhibitions satisfactorily. I am sure Datuk Harun, who is with us here tonight, will give you every assistance in this matter.

Fortunately also the episode at Port Klang has been resolved at least temporarily and the Government is considering on long-term measures to ensure the continuous smooth operation of this vitally important lifeblood of the nation. In this connection, I want to emphasise that the Government's policy in regard to employers and employees relations is well-known. While we expect employers to treat their employees justly and ensure fair rewards for their services, we also expect employees to play their part. Government will not hesitate to take firm measures against those who are found to be acting clearly against the true interest of the country.

I hope with the development of new ports in Johor Baharu and Kuantan, and with the improvement to our existing trunk roads besides the new highways, Malaysian Manufacturers will be better served with regard to transportation and marketing facilities.

Ladies and Gentlemen,

I thought I would also use this occasion to reiterate what I have said before on the need for a more aggressive trade policy especially finding new markets for our manufactured products. The Government will do its best to assist our manufacturers in this direction, for example, sending trade missions or holding exhibitions overseas. You will, of course, agree that Government cannot do very much in the way of trade promotion; the manufacturers must necessarily play a bigger role here since you are in a better position to literally sell your products. I am sure with persistent efforts and determination, you will succeed.

Ladies and Gentlemen,

In a month's time, we shall see the end of the year and welcome the new. This is going to be a busy month with Parliament and the Budget which I am sure most of you anticipate with interest if not anxiety. Whatever the outcome may be, I would like to take this opportunity to wish you all the best for the coming year with the hope and confidence that it will be another year of continued solid progress and better prospects for all.