



PB / 29 / 19

November 4, 2019

To: Chief Executives of FMM Perak Members

**Minutes of the 51<sup>st</sup> Annual General Meeting of Federation of Malaysian Manufacturers (FMM) Perak held on Thursday, October 17, 2019, at FMM Perak at 11:00 am**

**Present:**

**Ordinary Members:**

|  |                                     |
|--|-------------------------------------|
| Aalborg Portland Malaysia Sdn Bhd        | Mr. Fabrizio Piereugenio Carraro    |
| AG Engineering Works (M) Sdn Bhd         | Encik Lawrence Choo                 |
| Asia Printed Circuit Sdn Bhd             | Encik Edmund Wong Khin Kong         |
| Bidor Kwong Heng Sdn Bhd                 | Encik Khaw Teik Lye                 |
| Everwin Plastic Sdn Bhd                  | Encik Tony Cheam Swee Aik           |
| ITL Asia Pacific Sdn Bhd                 | Encik Anthony Andrew                |
| Kaolin (M) Sdn Bhd                       | Encik Vincent Lee Keng Guan         |
| KCSS Wiremesh Sdn Bhd                    | Encik Kwan Boon Gar                 |
| Magnalium Sdn Bhd                        | Encik Ting Chien Cher               |
| MCCL Manufacturing Sdn Bhd               | Encik Jacky Chan Chee Keat          |
| Meranti Cemerlang Sdn Bhd                | Cik Afiqah Binti Mohd Sabli         |
| MSBB Engineering Sdn Bhd                 | Encik Liew Yi Heng                  |
| Nam Pharma Sdn Bhd                       | Encik Won Foo Yee                   |
| Ngan Yin Food Industries Sdn Bhd         | Dato' Gan Tack Kong                 |
| Nutri Action Sdn Bhd                     | Encik Chua Kay Lin                  |
| OKA Concrete Industries Sdn Bhd          | Ir. Ong Koon Ann                    |
| Pagoda Foods (Malaysia) Sdn Bhd          | Encik Liew Yu Gene                  |
| Perak River Sand Sdn Bhd                 | Encik John Teoh Chong Yeen          |
| PMW Concrete Industries Sdn Bhd          | Encik Zulkepli Hussin               |
| Sidney Industries Sdn Bhd                | Encik Tan Seow Heng                 |
| SMA Industries Sdn Bhd                   | Cik Shirley Low Swee Lan            |
| Stoneworks Technologies Sdn Bhd          | Encik Chew Boon Khooi               |
| Tan Chee Seng Sawmill Sdn Bhd            | Encik Tan Taik Chin                 |
| Tan Kor Seng & Sons Rubber Works Sdn Bhd | Encik Tan Keng Chee                 |
| Team Some Sdn Bhd                        | Cik Ceylyn Tay Wei Lung             |
| Toyo Plastic (M) Sdn Bhd                 | Encik Mark Chan Chow Loong          |
| Toyobo Textile (Malaysia) Sdn Bhd        | Mr. Masato Hirakawa                 |
| UAC Berhad                               | Encik Zubair Abdullah               |
| Uniko Calcium Carbonate Industry Sdn Bhd | Cik Audrey C. Shanta                |
| Unisem (M) Berhad                        | Encik Tamilchelvam A/L Paralavannam |
| Yee Lee Edible Oils Sdn Bhd              | Encik Yap Sin Kheong                |

**Affiliate Member:**

Sunway City (Ipoh) Sdn Bhd

Encik Clement Yong

**FMM Secretariat:**

Pn. Han Mong Ying, Senior Manager, Corporate Affairs Division, FMM HQ

Encik Louis Gnanapragasam, Senior Manager

Encik Mahinder Singh, Manager

Cik Nicole Choe Pui Sze, Assistant Manager

Pn. Evonne Tan Foo Hoon, Executive

---

**1.0 Chairman's Address**

The Chairman, YBhg. Dato' Gan Tack Kong, delivered his address. The text is attached as Annex 1.

**2.0 Report of the FMM Perak Committee for the financial year ended June 30, 2019**

The FMM Perak Committee's report for the financial year ended June 30, 2019, was adopted at the proposal of Encik Tan Seow Heng of Sidney Industries Sdn Bhd and seconded by Encik Edmund Wong Khin Kong of Asia Printed Circuit Sdn Bhd.

**3.0 Election of Committee Members for the year 2019/2020 and 2020/2021**

Twenty-one (21) nominations duly proposed and seconded were received from members.

In view that the nominations received were within the required number of *not less than 12 elected members and not more than 24 elected members*, it was unanimously agreed that the twenty-one (21) nominations be considered as elected members of the FMM Perak Committee for year 2019/2020 and 2020/2021 at the proposal of Encik Liew Yi Herng of MSBB Engineering Sdn Bhd and seconded by Encik Tan Seow Heng of Sidney Industries Sdn Bhd.

The elected members of the Perak Committee for 2019/2020 and 2020/2021 were:

- |                                 |                             |
|---------------------------------|-----------------------------|
| 1. Asia Printed Circuit Sdn Bhd | Encik Edmund Wong Khin Kong |
| 2. Bidor Kwong Heng Sdn Bhd     | Encik Khaw Teik Lye         |
| 3. Camfil Malaysia Sdn Bhd      | Encik Teng Kim Ming         |
| 4. Chek Hup Sdn Bhd             | Encik Ooi Hean Joo          |
| 5. Everwin Plastic Sdn Bhd      | Encik Tony Cheam Swee Aik   |
| 6. Hasrat Meranti Sdn Bhd       | Encik Mok Tuck Meng         |
| 7. Latexx Manufacturing Sdn Bhd | Mr. Philip Pindo Mok        |
| 8. MSBB Engineering Sdn Bhd     | Encik Liew Yi Herng         |
| 9. Nam Pharma Sdn Bhd           | Encik Won Foo Yee           |
| 10. Nutri Action Sdn Bhd        | Encik Chua Kay Lin          |

- |   |                            |
|---|----------------------------|
| 11. OKA Concrete Industries Sdn Bhd             | Ir. Ong Koon Ann           |
| 12. PMW Concrete Industries Sdn Bhd             | Encik Zulkepli Hussin      |
| 13. Sheng Foong Plastic Industries<br>Sdn Bhd   | Encik Yeong Sai Key        |
| 14. Sidney Industries Sdn Bhd                   | Encik Tan Seow Heng        |
| 15. Stoneworks Technologies Sdn Bhd             | Encik Chew Boon Khooi      |
| 16. Tan Kor Seng & Sons Rubber Works<br>Sdn Bhd | Encik Tan Keng Chee        |
| 17. Toyo Plastic (M) Sdn Bhd                    | Encik Mark Chan Chow Loong |
| 18. Toyobo Textile (Malaysia) Sdn Bhd           | Mr. Masato Hirakawa        |
| 19. UAC Berhad                                  | Encik Zubair Abdullah      |
| 20. Uniko Calcium Carbonate Industry<br>Sdn Bhd | Cik Audrey C. Shanta       |
| 21. Yee Lee Edible Oils Sdn Bhd                 | Encik Yap Sin Kheong       |

YBhg. Dato' Gan Tack Kong of Ngan Yin Food Industries Sdn Bhd after having served as Chairman of FMM Perak Branch for 15 years assumes the position of Immediate Past Chairman following his retirement as Branch Chairman at the FMM Perak 51<sup>st</sup> AGM. This provision is stipulated under Clause 13 of the Branch Committee By-Laws dated September 26, 2018.

#### 4.0 Adjournment

There being no other business the meeting adjourned at 11:40 am with a vote of thanks to the Chair.



**Louis Gnanapragasam, P.M.P., A.M.P.**  
*for Chairman*  
**FMM Perak**

**Please feel free to contact the Secretariat (Mr. Louis) of FMM Perak at telephone no.: 05-548 8660 or fax no.: 05-548 8221/331 or e-mail: fmmperak@fmm.org.my should members need further information.**

LG

*Prepared: October 30, 2019*

*Approved: October 30, 2019*

**FMM Perak**  
**51<sup>st</sup> Annual General Meeting**  
**October 17, 2019**

**Chairman's Address and Report**

---

**Ladies and Gentlemen,**

A very Good Morning and it is my pleasure to welcome you to our FMM Perak's 51<sup>st</sup> Annual General Meeting. As in the past I will be reporting on some of the significant issues and events undertaken by your Branch during the period under review. But before that, I think it is only proper that we have a quick look at the recently concluded Budget 2020 announced on October 11, 2019.

FMM is certainly happy with the support for Human Capital Development under which the Government had allocated RM6.5 billion to create 350,000 jobs for Malaysians through increased participation of unemployed graduates and women with the end objective of reducing foreign workers. Likewise the increased budget allocation for TVET to RM5.9 billion, the RM100 incentive for TVET apprentices and the extension of the double deduction for participation in the Skim Latihan Dual Nasional and Structured Internship Programme under Talent Corp are most welcomed. However, even with the incentives the biggest challenge as I highlighted to the CEO of PSMB two days ago at the CEO Engagement Dinner last Tuesday is obtaining the pool of resources for the TVET apprenticeship programmes. Our younger generation often referred to as the millennials are just not interested to work in a manufacturing environment which is no of fault of theirs. This can only be attributed to our current education system which has not provided for a trade and skills curriculum unlike countries like Australia.

As to my personal views on the Budget I did comment to the press that the Government should have reduced the corporate tax for us to stay competitive with our Southeast Asian neighbours. At 25 per cent our corporate tax is one of the highest when countries such as Singapore and Thailand are already offering 20 per cent while Vietnam and Indonesia are planning to reduce it to 17 per cent in the next five years on a gradual basis. FMM has always been advocating for the reduction in the corporate tax but as we understand that as much as 45 per cent of the Government's revenue is generated from corporate tax it is reluctant to do this and more so with its cash strapped situation.

**Ladies and Gentlemen,**

The FMM, Malaysian Institute of Economic Research (MIER) survey for the first half of 2019 was recently concluded. Since we were privileged to have an exclusive report on Perak I would like to briefly highlight some of the key findings of this survey. Similar to the national findings, our members in Perak indicated that business activity was sluggish in the first half of 2019 brought about by a significant decline in both local and export sales. In fact, Perak recorded weaker indices than national except for export sales and capital investment.

For the second half of 2019, our members are less optimistic in their expectations for all indices except for cost of production. Perak however, appears to be stronger in the turnaround from the previous period expectations in terms of overall business conditions and local sales. Business employment also relatively remained stable. However, with the announcement in the Budget 2020 that the Government is proposing to increase the minimum wage to RM1,200 per month for major cities which means Ipoh is included it may

affect our employment stability. Considering that most of the industrial estates are also in close proximity to Ipoh it would be really challenging to implement this minimum wage.

At the home front, we are pleased to note that the Natural Kinta Project is progressing well and the 140 km pipeline stretching from Air Tawar to Chemor would be completed by the first quarter of 2020 as scheduled. Currently, 7 companies in Bemban, Lahat and Meru had been supplied with the natural gas. Two more companies in Tasek Industrial Estate including Top Gloves will receive supply by end 2019. Our member, Rubberex Industries in Bercham Industrial Estate is also anxiously waiting for the pipeline to reach them as they had already embarked on their expansion programme.

In the midst of all these developments, we have been informed that the Government intends to implement the Third Party Access System (TPA) by January 2020 whereby supply of natural gas would be liberalised. The Energy Commission had licensed 6 companies to supply the gas and thus breaking the monopoly enjoyed by Gas Malaysia for the past 25 years. While FMM members had been advised to consider the cost, security and sustainability of supply should they decide to switch, the mechanism on the pricing and the manner the gas would be supplied is still vague. Obviously, there is a need for more clarity so that industries are well aware of the benefits and constraints before they can make a commitment.

### **Ladies and Gentlemen**

Recently our members, Kaolin Malaysia Sdn Bhd and Sibelco Malaysia Sdn Bhd highlighted to us that the Ministry of Water, Land and Natural Resources or KATS, in short, had rejected all applications for exports of kaolin products without prior notification. This is a big blow to Perak as we are the largest exporters of processed kaolin in the country. The reason for rejection was because kaolin contains Rare Earth Elements (REE) above the approved threshold of 300ppm. In the past, REE was never an issue and the Approved Permits for exports of kaolin were not rejected though there were some delays.

I am pleased to inform that FMM led by YBhg. Dato' Nathan Suppiah, Vice-President, Mr' Steve Aroki, Chairman of Energy Management Committee and myself met the Minister of Water, Land & Natural Resources, YB D'r Xavier Jayakumar yesterday and we were given to understand that so long the State had approved the exports of processed kaolin his Ministry would issue the APs. This is certainly good news for our kaolin industries in Perak

We also had the opportunity to organise a "Teh Tarik Session" with our Honourable Minister of Ministry of Human Resources, YB Tuan M. Kula Segaran and YB Tuan Sivanesan on March 6, 2019, at our Branch Office. It was a very interactive session and members had the opportunity to express their concerns on the recruitment of foreign workers, Amendments to the Employment Act and challenges faced in sourcing for skilled labour. It was also proposed at this session that a State Human Resources Advisory Committee with representations from the public and private sectors be established to look into the affairs of labour in the State. To this end, we have submitted a paper to YB Sivanesan and hope to meet him soon for further discussions.

### **Ladies and Gentlemen**

Once again I am pleased to report that your Branch exceeded its financial targets for FMM Institute and FMM. The Institute for one was very much in the forefront organising a wide range of training programmes to meet the growing needs of industries in Perak. During the period under review, the Institute organised 105 public courses, 134 in-house courses and 2 certificate programmes totalling 4,196 employees to be trained. However, based on

the report presented by the CEO of PSMB at the CEO Engagement Dinner I mentioned earlier there are more training opportunities for the Institute to explore in the area of Certificate programmes as well as HRDF Strategic Initiatives such as Generate 2.0, SLDN Apprenticeship, INDCERT, SME Graduates and TVET Youth.

### **Ladies and Gentlemen**

This will be the last time I will be addressing you as your Chairman of FMM Perak after having served for 15 years. This is because under the amended Branch By-laws the Chairman's position had been limited to 6 years in aggregate effective March 26, 2014. In total I have been a member of the Branch Committee for more than 30 years. Looking back I can sincerely say that it had been a wonderful and enriching experience for me as I had the opportunity to work with 3 Chief Ministers and make many acquaintances with government officials, the various trade chambers and our members. On a personal note I can also say with satisfaction that during my term as Chairman, FMM Perak has emerged as one of the leading representative bodies of the manufacturing sector in Perak. I would single out the Natural Gas Kinta Project as one of the biggest achievements during my time, a vision and mission that FMM had pursued since 2002. Another achievement is the acquisition of the Sg. Terap land totalling 76.77 acres at Mukim Sg. Terap which is in the final stage. Senior members will recall that the State Government had allocated this land for the Branch to purchase a piece of land at Bandar Meru Raya Ipoh and to put up our FMM Building. Looking back I am fully conscious that I could not have done this alone without the support of our FMM HQ, the State and Federal Government agencies and last but not least our members in Perak. I would like to express my sincere appreciation to all of you. I would also like to put on record my heartfelt appreciation to members of our Branch Committee, regional sub-committees and to the various working committees for their dedication, time and efforts in attending to the various issues affecting our members.

However, I will continue to serve in the Branch Committee as Immediate Past Chairman and will be more than happy to lend support and share my experience with the incoming Chairman and Committee members.

*Dato' Gan Tack Kong*  
*Branch Chairman*  
*October 17, 2019*