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## Abstracts of Papers

*Keynote Paper*

### **The industrial mineral-based industries in Malaysia — current status and prospect**

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The industrial mineral-based industry in Malaysia can be broadly grouped into three categories, viz, rock-based, clay-based and sand-based. During 1999, from a total amount of RM17.0 billion worth of mineral-based products manufactured, RM7.3 billion originated from the industrial mineral sector, while the remaining RM2.8 billion came from tin smelting and RM6.9 billion from the basic iron and steel industries. The clay-based industry is well developed, producing a wide range of products to cater for the construction, domestic and industrial consumers both locally as well as abroad. The clay-based products include activated clay, advanced ceramic, ceramic decorative ware, ceramic former, ceramic tiles, clay brick, clay pipe, refractory bricks, roof tile, rough pottery, sanitaryware and tableware. In 1999, the total output from these manufacturers was estimated at RM1.4 billion. The sand-based manufacturers include those producing filter sand, glass, silicon and sodium silicate. In 1999, a total of 42 manufacturers were involved in this sector. The total output from these manufacturers was estimated at RM2.3 billion. The glass industry, as part of the sand-based industry, is fairly well-developed with highly automated manufacturing processes. It produced a wide variety of products including container glass, domestic glassware, optical lenses, sheet glass, glass funnels and panels for cathode ray tubes, etc. However, most of the higher end silica products, such as optical and ophthalmic glasses use imported blanks. The rock-based manufacturers produced a variety of products from essentially granite and limestone. In 1999, the total output from these manufacturers was estimated to be around RM3.6 billion. Dimension stone is mainly produced from locally obtained granite and limestone. Cement, lime, limestone powder and terrazzo constitute value-added products produced from limestone. Whilst demand for traditional

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rock tiles has dwindled owing to stiff competition from ceramic tiles, the limestone powder industry is at present, expanding rapidly with the production of coated ground calcium carbonate (GCC) as well as precipitated calcium carbonate (PCC). They offer stiff competition to the kaolin producers for use as fillers. The issues pertaining to these sectors include their pertinent linkage to the construction growth, promotion of the Investments Act 1986, value-adding capabilities, export market and globalisation/open market. With globalisation, free-trade, open-market system and AFTA coming into force soon, Malaysia's industrial mineral based-industries will face stiff competition from our neighbouring countries where cheap labour and low fuel costs are readily available. High productivity, advanced technology, quality of products and the search for new markets will to a certain extent determine the success of our industries in the globalised market.

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