

Future Growth Depends on Modern Technology

Address at the ship launching ceremony.
Karachi: March 27, 1990.

It is a great honour for me that I have come to Karachi Shipyard and Engineering Works to launch the Chinese bulk carrier "Yauyi-20". Pakistan has built this bulk carrier for our neighbouring country, China.

Bonds of friendship have been existing between China and Pakistan for a long time. Our friendship is deeply rooted and has stood the test of time. As I am speaking in Urdu, I am reminded that Chinese Ambassador knows Urdu well and he is following what I am saying.

It is indeed a matter of satisfaction for us that our two countries have worked together in several spheres and have made commendable achievements. We have worked together in the field of economy, in the sphere of science and technology and in the defence sector. We have also cooperated with each other in the international affairs. It was for these reasons that my first official visit abroad was to China in February last year. It is a matter of immense pleasure for us that when the Chinese Prime Minister, Mr. Li Peng, visited Pakistan in November last year, he announced that China will provide a 300 MW nuclear power plant to Pakistan. Our agreement with China in this regard is very important for us because the project will go a long way in meeting our energy requirements.

The launching of the Chinese ship today is yet another manifestation of our growing ties in the field of science and technology. The ship has been named Yauyi which in Chinese language means "Friendship", and hence I call it the ship of friendship".

As we launch this ship, I pray to Almighty Allah that it may continue to sail on the high seas for many long years as a symbol of Pak-Chinese friendship. As the ship sails, I hope and pray that our relations with China will continue to gather strength.

The present government is deeply committed to the promotion of science and technology in the country. We are convinced that Pakistan's future growth and defence depend on how quickly and effectively we acquire and apply modern technology in different areas of national life. We believe that investment in science and technology is bound to bring rich dividends in the form of economic prosperity and enhanced defence capability. It is our conviction that to eradicate the problem of under-development and to achieve the overall national objective, we have to rely on the latest means of modern technology.

Shipbuilding is an important industry. This is because efficient and economic transportation is a vital link in the chain of production and economic activity. No economic activity can be competitive until it is backed by an efficient transportation system, which not only brings down the overall cost of production, but also enables the produce to reach the destination in time. We want to see the shipping sector modernized and strengthened for our traders and manufacturers. There is another reason too. Shipbuilding is a strategic industry and we want to aim at self-reliance in this sector by acquiring needed design capability and material production.

The government is aware of the need to overhaul the shipping sector. Our combined fleet consists of only 29 ships, which can lift a mere eight per cent of our total dry cargo and one-fourth of the liquid cargo. In 1972, Pakistan's combined fleet consisted of 51 ships which means that over the years we have gone down rather than up in this sector. As our shipping fleet can lift only 10 percent of our dry cargo, we have to hire foreign freight carriers for meeting our transportation needs. Pakistan spends \$ 600 million per annum as freight charges. For a country like Pakistan, which is short of foreign exchange resources and has a severe balance of payments problem, this situation is not satisfactory.

To improve the shipping sector, the government has ordered the financial restructuring of the Pakistan National Shipping Corporation. The corporation is to acquire 10 additional ships to replace and augment its fleet. This is part of proper planning and investment for a better future.

The government has directed all public sector organizations to fully utilize the services of the Pakistan National Shipping Corporation. The corporation now has the first right of refusal for cargo. It has been provided funds to buy ships from abroad, and not only to buy ships from abroad but to use those funds to place orders at the Karachi Shipyard and Engineering

Works to assure the progress and prosperity of the workers who make Karachi Shipyard and Engineering Works into a success story.

The full utilization of the facilities of the Karachi Shipyard will mean more jobs, more production and more self-reliance. Self-reliance is the catchword in the competitive world of today. To achieve self-reliance we need to exploit all our resources including marine resources. The Exclusive Economic Zone stretching upto 200 miles into the Arabian Sea has, in a sense, become the second largest province of Pakistan awaiting exploration and exploitation. The vast economic potential of this Exclusive Economic Zone needs to be fully explored. The areas which can be explored immediately include those where offshore drilling for oil and gas has been undertaken. For improving the fishing sector, the government has decided to establish modern fishing ports at Gwadar, Pasni, Gadani and Korangi. The facilities at the Karachi Fish Harbour are being expanded and modernized.

As you know, recently the government had to take the very difficult decision of raising oil prices. This is because the prices of oil and of POL have risen in the international market and Pakistan has to import oil for its needs. I am happy to say that in one year of the democratic government, we have doubled the production of our oil with Allah's blessing. I hope that given the hard work and the commitment of our people, who want to see Pakistan as a great country, and with the blessings of Allah, we will continue to make discoveries of oil until we are self-sufficient and no longer have to pay oil prices in foreign currency.

For the exploitation of our Exclusive Economic Zone in the Arabian Sea and to reduce our expenditure on freight, we need a strong shipbuilding base. Karachi Shipyard must accept the challenge to acquire modern technology and know-how and keep pace with the advances made in the field.

Apart from indigenisation, we may consider the possibility of co-operating in joint shipbuilding projects because joint efforts bring down the cost of production and of research and development. We have favourable conditions to undertake co-manufacturing projects. If fourteen nations of Europe can get together, there is no reason why we cannot seek the cooperation of a few friends to modernize and expand shipbuilding in our country. Pakistan has a base of high technology, our labour is cheap and manpower skilled and industrious. With this infrastructure, Pakistan offers a unique opportunity for collaboration in the field of shipbuilding.

I would like to congratulate the designers from People's Republic of

China as well as the shipbuilders and workers of Karachi Shipyard for successfully undertaking this venture. I would also like to say that the ship has been built in about a year or 14 months for which I must congratulate our Minister for Communications and the management and the work force of the Shipyard.

We were told that the Karachi Shipyard was facing huge losses, that it was not a successful undertaking and that the workers should be laid off. But within fourteen months, the Minister of Communications and the management have demonstrated that, with will and determination and hard work, a project can be successfully implemented. The launching of this ship, built by Karachi Shipyard and Engineering Works, is a sufficient proof that it can work successfully and instead of laying off workers, it will offer increased employment opportunities.

I am grateful to China that it placed with us the order for building a carrier ship. I hope that in future they will place more orders and we will execute them. I am happy to know that the Ministry of Communications has already started work at Gwadar and Pasni ports and these projects will be completed within the next five years.

Before I conclude, I announce a bonus equal to one month's pay for the workers with the hope that they will continue to work hard and increase the profits of the Karachi Shipyard. I hope you will invite me again to say that you have put in more hard work and the Shipyard has earned more profit and so I should announce another bonus for you.

Thank you.