

Mahathir: — Give timber concessions only to able Malays

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KUALA LUMPUR, Mon. — Deputy Prime Minister (Datuk Seri Dr Mahathir Mohamad) today called on state governments to give timber concessions only to bumiputras who were able and willing to work the concessions themselves.

He said this would ensure bumiputra sawmills of their timber supplies. It would in turn guarantee more meaningful bumiputra involvement in the industry, he added at the opening of the Bumiputra Loggers seminar here.

Datuk Seri Dr Mahathir also hit out at those who, to make instant profits, chose the short-cut by selling their concessions.

Consortium

Of about 70 per cent of the timber concessions given to bumiputras, only about 25 per cent were being worked by bumiputras themselves, he said.

Up till May this year, he said, about 74 per cent of the logging licences issued and 70.6 per cent of the timber concessions were given to bumiputras.

This seemed to show an improvement over the 1976 figures when only 61.2 per cent of the licences issued and 60 per cent of the concessions were given to bumiputras.

However, he said, the statistics did not give a true picture of bumiputra involvement in the industry.

"In fact, bumiputra participation in the industry is disappointing," he added.

Datuk Seri Dr Mahathir,

who is also Trade and Industry Minister, also called on state governments to end the practice of giving timber concessions to statutory bodies to cover their losses.

He praised the Kelantan Government for giving a timber concession to Syarikat Balak Pertama, a conglomerate of small bumiputra companies.

Bumiputra companies should work together so as to be able to survive and compete more effectively with more established firms.

Solution

He also urged bumiputra timber millers and exporters to form a consortium for more effective participation on the international market.

He regretted that of the 145 registered bumiputra exporters, only 97 were active.

The Deputy Prime Minister called on bumiputras to gain more experience and knowledge of the industry so as to participate more effectively in the industry which in 1977 earned \$2.49 billion in foreign exchange.

To provide for this, the Government had established logging training centres in Trengganu and Pahang to train bumiputras.

He was aware that bumiputras were unable to work their own concessions properly because of the lack of capital and the size of the concessions which makes the use of machinery uneconomical.

A solution, he said, was the setting up of well equipped bumiputra logging companies which could be engaged by the concessionaires.

He said these companies would be in a better position to obtain bank loans to buy the necessary machinery.

He also called on bumiputras to take part in the lucrative plywood and wood moulding industries.

Earlier, Bumiputra Loggers Association president Tengku Ariff Bendahara appealed to state governments to provide the necessary aid to bumiputra loggers.