

MAHATHIR-TRADE

80 (P)  
KUALA LUMPUR, MAY 22 (BERNAMA) — DEPUTY PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TODAY SUGGESTED THE SETTING UP OF MALAYSIAN TRADING HOUSES SIMILAR TO THE POWERFUL SOGOSHOSHAS (TRADING HOUSES) OF JAPAN TO SERVE SMALL AND BIG PRODUCERS IN THE COUNTRY IN THEIR OFF-SHORE TRADING.

HE SAID THE IDEA AROSE DURING A RECENT THINK-TANK SESSION IN HIS RESIDENCE.

+WE DO NOT KNOW WHETHER THERE SHOULD BE ONE OR MORE SUCH TRADING HOUSES, BUT THERE SHOULD NOT BE TOO MANY...JUST ADEQUATE TO SERVE OUR NEEDS, HE ADDED.

HE SAID THERE WAS NO DEFINITE IDEA TO WHAT IT SHOULD BE CALLED OR ITS STRUCTURE OR WHETHER IT SHOULD BE WHOLLY RUN BY THE GOVERNMENT OR THE PRIVATE SECTOR.

DATUK SERI DR MAHATHIR, WHO WAS SPEAKING TO THE PRESS FOLLOWING HIS MEETING WITH THE TRADE DELEGATION FROM SAUDI ARABIA, SAID MANY COUNTRIES HAD REALISED THE USEFULNESS OF THE JAPANESE TRADING HOUSES THOUGH THEY WERE LARGE TRADING CONCERNS MAKING ONLY SMALL PROFITS. —  
BERNAMA MORE 1924/BY

N115 (F)

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THE JAPANESE TRADING HOUSES HAVE WORLDWIDE OFFICES AND OUTLETS FOR THE MARKETING OF GOODS FROM BIG AND SMALL PRODUCERS OR MANUFACTURERS. THEY ARE INVOLVED IN THE DIRECT BUYING AND SELLING OF THESE GOODS, RANGING FROM MOTORCARS TO TRANSISTORS.

DATUK SERI DR MAHATHIR WHO IS ALSO TRADE AND INDUSTRY MINISTER, SAID IT WAS FELT THAT THE SMALLER FIRMS COULD PASS THEIR GOODS TO THESE SOGOSHOSHA-TYPE OF TRADING HOUSES IN MALAYSIA FOR EXPORT.

HOWEVER, HE SAID, THE TRADING HOUSES SHOULD HAVE ADEQUATE WORLDWIDE CONTACTS AND OUTLETS FOR THE MARKETING OF THESE GOODS.

THE DEPUTY PRIME MINISTER SAID HE HAD TALKED WITH SOME INDIVIDUAL CORPORATIONS AND BANKERS IN THE COUNTRY +TO PICK THEIR BRAINS+ ON THE STRUCTURE, CAPITAL AND OTHER DETAILS.

EARLIER, HE SAID THE LOCAL BUSINESS COMMUNITY WAS MORE ORIENTED TO SELLING ITS PRODUCTS WITHIN THE COUNTRY OR, AT MOST, TO SINGAPORE. —BERNAMA MORE 1929/BY

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+IN FACT, THIS HAS BEEN TO SUCH AN EXTENT THAT SINGAPORE IS EXPORTING CANNED PINEAPPLES ALTHOUGH SHE IS NOT PRODUCING THE COMMODITY+, HE ADDED.

DATUK SERI DR. MAHATHIR SAID THIS PRACTICE WAS UNDERSTANDABLE WHEN SINGAPORE WAS THE ONLY GOOD PORT HERE. BUT THE SITUATION NOW WAS DIFFERENT WITH GOOD PORT FACILITIES AT PORT KLANG AND PENANG.

HE ADDED THAT THOUGH MALAYSIA HAD TRADE COMMISSIONERS ABROAD, THEY COULD NOT BE EXPECTED TO PROMOTE EACH AND EVERY MALAYSIAN PRODUCT.

ON HIS MEETING WITH THE SAUDI TRADE DELEGATION, HE SAID IT WAS PROPOSED THAT A MINISTERIAL LEVEL JOINT COMMITTEE BETWEEN THE TWO COUNTRIES BE SET UP TO LOOK INTO ALL ASPECTS OF BILATERAL COOPERATION.

THIS PROPOSAL, HE SAID, WAS BEING CONSIDERED BY THE GOVERNMENT.

—BERNAMA MORE 2042/BY

R219 (F)

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DESCRIBING THE DELEGATION'S VISIT AS +BENEFICIAL+, HE SAID THE TRADE BALANCE HAD BEEN IN SAUDI ARABIA'S FAVOUR.

MALAYSIA BOUGHT OIL FROM THAT COUNTRY BUT DID NOT SELL MANY COMMODITIES OR GOODS IN RETURN.

APART FROM PALM OIL, THE DELEGATION WAS ALSO INTERESTED IN BUYING TIMBER DIRECTLY FROM MALAYSIA AND THE POSSIBILITY OF UNDERTAKING JOINT-VENTURES WITH THE COUNTRY IN THE TIMBER TRADE.

DATUK SERI DR MAHATHIR SAID THE MAIN PROBLEM FACED BY MALAYSIA IN HER TRADE WITH SAUDI ARABIA AND THE GULF STATES WAS TRANSPORT AND FREIGHT, AND THE CABINET HAD DECIDED THAT THIS PROBLEM BE LOOKED INTO BY HIS MINISTRY AND THE TRANSPORT MINISTRY.

ON THE LACK OF FOLLOW-UPS BY THE MALAYSIAN BUSINESS COMMUNITY IN THEIR TRADE WITH THE GULF STATES INCLUDING SAUDI ARABIA, HE SAID THE GOVERNMENT INTENDED TO ENCOURAGE MORE FOLLOW-UPS IN THE FUTURE. —BERNAMA 2052/BY