

NO62 (F)  
MAHATHIR - TIN

82  
KUALA LUMPUR, FEB. 9 (BERNAMA) -- MALAYSIA - THE WORLD'S LARGEST TIN PRODUCER--ANNOUNCED TODAY ITS DECISION TO CUTBACK PRODUCTION BY ABOUT 15,000 TONNES, EXPECTED TO BEGIN IN 1983, AS A MEASURE TO PROTECT ITS NATIONAL INTEREST.

(DATUK SERI DR. MAHATHIR MOHAMAD) WHO ANNOUNCED THE GOVERNMENT'S DECISION IN THE WAKE OF WHAT HE LABELLED AS 'LAWLESSNESS IN THE TIN MARKET' HOWEVER MADE IT CLEAR THAT THE DECISION WAS AIMED AT REDUCING THE COUNTRY'S DEPENDENCE ON REVENUE FROM THE COMMODITY. THE PRIME MINISTER TOLD A PRESS CONFERENCE THAT THE DECISION WAS NOT AIMED AT PUSHING UP PRICES OR TO REDUCE THE WORLD'S SUPPLY.

DATUK SERI DR. MAHATHIR SAID BESIDES THE CUTBACK, MALAYSIA WOULD ALSO INITIATE A COMMON MARKETING ARRANGEMENT AMONG PRODUCER COUNTRIES TO SELL DIRECT TO CONSUMERS. -- BERNAMA MORE 1559/MK

MAHATHIR - TIN 2 KUALA LUMPUR

HE SAID HE HAD ALREADY SOUNDED THIS PROPOSAL TO INDONESIAN FOREIGN MINISTER MOCHTAR KUSUMAATMADJA WHO CALLED ON HIM RECENTLY.

DEPUTY PRIME MINISTER DATUK MUSA HITAM WILL DISCUSS IT FURTHER WHEN HE VISITS INDONESIA NEXT WEEK. HE WILL BE ACCOMPANIED BY PRIMARY INDUSTRIES MINISTER DATUK PAUL LEONG DURING THE VISIT. TALKS WITH OTHER PRODUCER COUNTRIES WILL FOLLOW.

ON THE TIN PRODUCTION CUTBACK, DATUK SERI DR. MAHATHIR SAID THE GOVERNMENT WAS ACTIVELY STUDYING THE WAYS AND MEANS TO GO ABOUT IT.

THIS INCLUDED THE POSSIBILITY OF NOT GIVING LICENCES TO MINES WHICH ARE NEARING ITS LIFE SPAN AND THE POSSIBILITY OF SMALL MINES WHICH ARE NO LONGER PROFITABLE (BECAUSE OF SOARING COSTS), MERGING WITH OTHERS TO BECOME MORE EFFICIENT AND PROFITABLE. -- BERNAMA MORE 1611/MK

NO69 (F)  
MAHATHIR - TIN 3 KUALA LUMPUR

DATUK SERI DR. MAHATHIR INDICATED THAT THE CUTBACK WOULD COMMENCE WHEN MALAYSIA BEGINS TO ENJOY REVENUE FROM ITS GAS PRODUCTION I.E. IN 1983.

HE SAID: +THE CUTBACK MAY SEEM SMALL TO THE WORLD BUT TO US IT REPRESENTS ABOUT 25 PER CENT OF OUR TOTAL PRODUCTION.+

HE REPEATEDLY EMPHASISED THAT MALAYSIA HAD TO TAKE THIS DECISION TO ENSURE THAT 'IT IS NOT HELD TO RANSOM ALL THE TIME JUST BECAUSE WE ARE DEPENDENT ON REVENUE FROM THE COMMODITY.+

+WE ARE DOING THIS TO PROTECT OUR NATIONAL INTEREST FROM THE VAGARIES OF THE TIN MARKET AND NOT TO DEPRIVE THE WORLD OF ITS TIN SUPPLY,+ HE ADDED.

+THUS WE ARE ALSO THINKING OF A NEW MARKETING ARRANGEMENT TO SELL TIN DIRECT TO CONSUMERS JUST LIKE OIL WHICH IS NOT TRADED IN ANY MARKET,+ HE STRESSED.

HE SAID WHILE MALAYSIA APPRECIATED THE NEED FOR A TRADING AREA FOR COMMODITIES, IT COULD NO LONGER TOLERATE MANIPULATIONS OF THE MARKET BY CERTAIN GROUPS FOR THEIR OWN INTEREST. -- BERNAMA MORE 1631/MK

MAHATHIR - TIN 4 KUALA LUMPUR

TO A QUESTION, THE PRIME MINISTER SAID THE CUTBACK WAS AN INTERNAL MATTER AND THAT MALAYSIA WOULD NOT DISCUSS IT WITH OTHER PRODUCERS.

BUT HE MADE IT CLEAR THAT MALAYSIA WOULD NOT MIND IF OTHER PRODUCERS STEP UP THEIR PRODUCTION OF THE COMMODITY.

ASKED WHETHER THE CUTBACK WOULD GO AGAINST THE PRINCIPLES OF PRODUCERS-CONSUMER CO-OPERATION, DATUK SERI DR. MAHATHIR SAID THE DECISION WAS MADE WITH GREAT RELUCTANCE.

HE SAID MALAYSIA HAD ALWAYS BEEN THE MODERATING +VOCE+ IN THE INTERNATIONAL TIN COUNCIL AND OTHER FORA BUT +OUR EFFORTS HAD NOT MADE ANY EFFECT AND INSTEAD WE ARE MADE TO SUFFER MORE THAN OTHERS+.

HE STRESSED HOWEVER THAT MALAYSIA WOULD WANT THE SIXTH INTERNATIONAL TIN AGREEMENT TO GO ON TO SEE WHETHER IT COULD ACHIEVE ANYTHING.

+BUT EVEN IF IT DOES GO ON, THE FACT STILL REMAINS THAT WE MAY NEED TO CUTBACK ON PRODUCTION AND TO HAVE SOME FORM OF MARKETING ARRANGEMENT THAT WILL BE OUTSIDE THE TIN AGREEMENT ARRANGEMENTS+, HE ADDED. --BERNAMA MORE

1704/MD

NO79 (F)  
MAHATHIR-TIN 5 KUALA LUMPUR

ON THE UNITED STATES DISPOSAL OF ITS TIN STOCKPILE IN THE WORLD MARKET, DATUK SERI DR. MAHATHIR SAID MALAYSIA HAD NO CONTROL OVER IT AND THAT MALAYSIA COULD NOT SAY WHAT THE U.S. WANTED TO DO.

+WE HAVE APPEALED AND TRIED TO APPLY PRESSURE BUT IT HAS NOT WORKED. SO THE ONLY THING WE CAN DO IS LOOK AFTER OURSELVES AND NOT TO DEPEND ON OTHERS+, HE ADDED. --  
BERNAMA 1705/MD