

TAKE ADVANTAGE

Stew

OF JOINT

VENTURES: PM

8 AUG 1983

KUALA LUMPUR, Sun. — Prime Minister Datuk Seri Dr Mahathir Mohamad urged bumiputra traders today to take advantage of the transfer of technology in every joint-venture project.

They must ensure that they benefitted from such projects, he said when launching the Taman Shamelin Perkasa here.

However, he said, they had to take part in all aspects of the projects concerned, from the management level to the lowest level, before they could obtain the benefits desired.

Profits should not be the primary consideration, he said.

The \$500 million Taman Shamelin Perkasa project is being undertaken by Syarikat Kimali Construction, a joint venture between the Shamelin co-operative and Hyundai Engineering of

South Korea.

Datuk Seri Dr Mahathir said that it was meaningless to have joint ventures with foreign firms if all the work was done by the foreign partner.

"If joint venture bumiputra partners allow foreigners to do all the work, they would be like the *Ali Baba* partners of other projects," he said.

Datuk Seri Dr Mahathir said he wanted Shamelin to pave the way for other bumiputra industries by taking an active part in the giant joint-venture project.

It should ensure that bumiputras not only occupy executive positions but also be actively involved in all aspects of the project, including the engineering and construction levels, he said.

"I will personally visit the project from time to time to see that this objective is achieved," he

added.

He said that it was only through overall participation that the bumiputras would be able to improve their management skills.

"The bumiputras' progress in trade and industry has been hindered by their weaknesses in management and administration," he said.

"The Government can help by providing the facilities and the opportunities and by becoming clients in fields where the public response is poor.

"However, many bumiputra enterprises failed because of weaknesses in management.

They should learn from their partners the techniques of management, including how to choose the right equipment for each project.

"With this knowledge and experience, they will be able to car-

ry out projects on their own in the future," he said.

Datuk Seri Dr Mahathir criticised some bumiputra traders who only cared about their own profits without giving a thought to whether their partners lost out in the deal or whether the project would fail.

Some of them even fixed the percentage of their profits before the project began and then handed the entire project over to their partners, he said.

Such projects were not businesses in the real sense but only businesses on a commission basis, he added.

Datuk Seri Dr Mahathir said sincere traders willing to work 24 hours a day would have no difficulty in building up their businesses.

A good trader, he said, should fulfil his promises and pledge to complete a project on time.

Banks would also not hesitate to give loans to him if he was prompt in repaying his debts, he added.

Datuk Seri Dr Mahathir said that banks should impose heavier penalties on bumiputras, rather than non-bumiputra borrowers, who failed to repay their loans.

These bumiputras, he said, not only disgraced their firms and themselves but also the whole bumiputra trading community, resulting in others finding it difficult to get loans.

He said bumiputras should show the other communities that they were just as capable of handling any industrial project as them, if not better.

Only then would the community's honour be preserved and the community respected by others, he said. — Bernama.