

MAHATHIR-DEFI CIT

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KUALA LUMPUR, APR. 4 (BERNAMA) -- (DATUK SERI DR. MAHATHIR MOHAMAD TODAY BRIEFED THE CABINET ON THE STEPS THAT SHOULD BE TAKEN TO REDUCE THE NATION'S INVISIBLE TRADE DEFICIT IN FUTURE.

THE PRIME MINISTER, SAID HE OUTLINED THE NECESSARY MOVES TO BOOST THE NATION'S WEALTH AT THE WEEKLY CABINET MEETING.

THE MOVES COVER FREIGHT INSURANCE, REINSURANCE, SHIPPING, INVESTMENT AND TRADE.

EXPRESSING CONCERN OVER THE \$7 BILLION INVISIBLE TRADE DEFICIT BUFFERED BY THE NATION, DATUK SERI DR. MAHATHIR SAID ALL MINISTRIES CONCERNED HAD BEEN TOLD OF THE ROLE THEY HAVE TO PLAY IN OVERCOMING THIS DEFICIT.

"THE MOVES THAT I HAVE OUTLINED WERE PARTLY THE RESULT OF A STUDY BY THE COUNCIL ON INVISIBLE TRADE HEADED BY TUN ISMAIL ALI AND ALSO FROM MY DISCUSSION WITH THE PRIVATE SECTOR," HE ADDED AFTER CHAIRING THE CABINET MEETING.

--- MORE 165D/WS

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DATUK SERI DR. MAHATHIR QUESTIONED WHY THE MALAYSIAN EXPORTERS FOR EXAMPLE WERE EXPORTING ON A FREE ON BOARD (FOB) BASIS AND NOT ON COST INSURANCE AND FREIGHT BASIS (CIF) WHILE THE IMPORTERS WERE IMPORTING ON CIF BASIS AND NOT FOB BASIS.

"IS IT BECAUSE THEY DON'T KNOW HOW OR IS IT BECAUSE THEY DON'T REALISE HOW MUCH LOSS IS BEING INCURRED OR HOW MUCH THE NATION LOSES?" HE ASKED.

THE PRIME MINISTER ALSO SINGLED OUT THE NEED TO KNOW THE EFFICIENCY AND CAPACITY OF PORTS IN THE COUNTRY.

ACCORDING TO HIM, WHEN THE GOVERNMENT WANTED TO IMPOSE THE \$100 CHARGES ON LORRIES GOING TO SINGAPORE, THE LOCAL PORTS WERE UNHAPPY BECAUSE THEY SAID THEY CAN'T HANDLE THE EXTRA TRAFFIC.

ALL THIS MEANT THAT THERE WAS A NEED TO HAVE MORE CAPACITY OF PORTS EITHER BY IMPROVING ITS EFFICIENCY OR HAVING MORE FACILITIES, HE ADDED. -- MORE 1655/WS