

MAHATHIR-SHIPPING

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KUALA LUMPUR, JULY 16 (BERNAMA)--A NATIONAL SHIPPING ADVISORY COUNCIL WILL SOON BE SET UP TO ADVISE THE GOVERNMENT ON ALL MATTERS RELATING TO SHIPPING AND THE NATIONAL SHIPPING LINES, DATUK SERI DR. MAHATHIR MOHAMAD ANNOUNCED TODAY.

THE PRIME MINISTER SAID THE SETTING UP OF THE COUNCIL WAS TO ENSURE THAT SHIPPING WAS BEING PROMOTED IN AN EFFECTIVE MANNER.

IN ADDITION, STRATEGIES WERE NOW BEING FORMULATED TO RAISE THE DYNAMISM OF THE NATIONAL SHIPPING LINES FOR IMPORT AND EXPORT SHIPPING SERVICES.

DATUK SERI DR. MAHATHIR SAID THIS WHEN OPENING THE TWO-DAY SEMINAR ON MALAYSIAN-BRITISH INVISIBLE TRADE LINKS ORGANISED JOINTLY BY THE BRITISH INVISIBLE EXPORTS COUNCIL AND THE COUNCIL ON MALAYSIAN INVISIBLE TRADE AT THE HILTON HOTEL HERE.

HE STRESSED THAT MUCH NEEDED TO BE DONE TO IMPROVE THE SHIPPING SERVICES IN THIS COUNTRY.

THIS WAS IN VIEW OF THE FACT THAT PAYMENTS ON FREIGHT AND INSURANCE COST THE NATION CLOSE TO \$3 BILLION LAST YEAR, AGAINST THIS, MALAYSIA EARNED ONLY ABOUT \$600 MILLION.--MORE
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DATUK SERI D.R. MAHATHIR SAID TO REDUCE THE DEFICIT ON SHIPPING, THE GOVERNMENT HAD ADOPTED A STRATEGY TO SUBSTITUTE THE WIDE RANGE OF SERVICES NOW BEING IMPORTED, NOTABLY BY 'BUYING FREIGHT ON BOARD (FOB) INSTEAD OF COST INSURANCE AND FREIGHT (CIF) TO SAVE FREIGHT CHARGES.

HE ADMITTED THAT IT WAS ALWAYS EASIER TO BUY CIF AND SELL FOB BECAUSE VERY LITTLE NEEDED TO BE DONE WITH OTHERS HAVING TO HANDLE THE GOODS, FIND CARGO SPACE AND SHIPS AND PAY FOR INSURANCE AND A HOST OF AGENCIES AND PEOPLE INVOLVED IN THE TRANSPORT AND DELIVERY BUSINESS.

BUT THEN, HE ADDED, THE NATION WOULD MOAN OVER THE FACT THAT MALAYSIAN GOODS WERE NOT CARRIED BY MALAYSIAN SHIPS OR INSURED BY MALAYSIAN COMPANIES.

+WHY SHOULD FOREIGNERS WHO ARE BUYING FOB OR SELLING CIF BOTHER TO USE OUR SHIPS OR OUR AGENCIES OR OUR INSURANCE COMPANIES?

+WE WILL NOT HELP THEM; WHY SHOULD THEY HELP US MAKE MORE MONEY?+

THE PRIME MINISTER SUGGESTED THAT IF MALAYSIANS WANT TO EARN THE MAXIMUM PROFIT, THEY SHOULD TRY TO DELIVER THEIR GOODS RIGHT UP TO THE DOORSTEP OF THEIR CUSTOMERS AND PECK THEIR PURCHASES RIGHT AT THE FACTORY FLOOR IF POSSIBLE.--MORE

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+THIS MEANS HARD WORK AND GREATER RISKS. BUT IF OTHERS CAN, WHY CAN'T WE? IF WE CAN'T OR WON'T, THEN LET US QUIT MOANING ABOUT OUR INVISIBLE DEFICITS.+

DATUK SERI DR. MAHATHIR STRESSED THAT MALAYSIA RECOGNISED BRITISH EXPERTISE IN THE AREAS OF FINANCIAL SERVICES, UNDERWRITING AND REINSURANCE AND SHIPPING AND HOPED THAT THEY WOULD COOPERATE WITH MALAYSIA FOR MUTUAL BENEFIT.

HE SAID IN RECENT BUDGETS, THE GOVERNMENT PROVIDED LIBERAL INCENTIVES TO ENCOURAGE DOMESTIC INVESTMENT IN SHIPS AND THE WRITING OF INWARD INSURANCE, FREIGHT INSURANCE AND RECIPROCITY IN QUALITY REINSURANCE.

IN ADDITION, THE INDUSTRIAL DEVELOPMENT BANK HAD BEEN CHARGED WITH THE RESPONSIBILITY TO PROVIDE FINANCIAL ASSISTANCE TO ENCOURAGE PRIVATE INVESTMENT IN SHIPPING AS WELL AS TO RAISE THE CAPACITY AND CAPABILITY OF EXISTING SHIPYARDS TO UNDERTAKE SHIP REPAIRING AND THE BUILDING OF SHIPS TO MEET BOTH DOMESTIC AND INTERNATIONAL DEMAND. ---BERNAMA