

# National car exporters may get a subsidy

*Mahathir - Proton Car Project*

NSI 24 JUN 1986

THE Government may provide a subsidy to the exporters of the Proton Saga so that the national car can compete in foreign markets, Prime Minister Datuk Seri Dr Mahathir Mohamad told the Dewan yesterday.

"It is a common practice by countries interested in the export of their cars to subsidise part of the cost."

Exporting the Proton Saga was necessary because the nation wanted to earn foreign exchange, he said in reply to a supplementary question by Wan Najib Wan Mohamed (BN-pasir Puteh).

The Prime Minister also said it would not be feasible to export the car to Japan because Japanese cars were cheaper there.

For the Proton Saga to penetrate the Japanese market, it would have to be heavily subsidised.

"This is not something the public will want."

To the original question by Mr Lin Sie Ming (DAP-Bandar Sibn), Dr Mahathir said several measures were being taken to ensure the Proton Saga did well in the local market. These included:

- High-quality, attractive designs, competitive prices;
- Selection of Edaran Otomobil Nasional Sdn Bhd as the main distributor; and,
- Co-operation from Mitsubishi Motors Corporation and Mitsubishi Corporation to ensure the success of the project.

On the prohibition of imports of foreign made cars to protect the Proton Saga, he said the Government would consider the matter when the time came.

To another supplementary question by Mr Lee Lam Thye (DAP-Kuala Lumpur Bandar), the Prime Minister said the national car company, Proton, had yet to determine the price of the Proton Saga.