

Dr M. Show urgency in curbing deficits

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By AHMAD A. TALIB

PRIME Minister Dn Luk Seri Dr Mahathir Mohamad, anxious over the deficit in Malaysia's service account, has criticised prominent industry leaders for their "worthless appreciation."

NCS said although he had raised the matter with them a year ago, they had not shown any urgency in tackling the problem.

He acknowledged that the private sector had appreciated his concern but added: "Appreciation without action is worthless."

Dr Mahathir was speaking to a prominent gathering of businessmen at the annual dinner of the National Chamber of Commerce and Industry (NCCI) in Kuala Lumpur last night.

He said: "I have outlined the urgency of improving, or rather reducing the deficit in our service account when I addressed you in December last year.

"I went to the extent of quoting the report by the Council of Malaysian Invisibles Trade and I

wonder if there is anyone among you who have done any research to measure the response by members of NCCI to this appeal from the government.

"The impression I get is that you have not shown much urgency on your part to tackle this problem. Maybe I should not elaborate on this score.

"It is high time for you to set programmes and measurements relating to this problem. You should find out, for example, how much of our exports are dealt on cif and imports on fob since I spoke, and prior to that, the amount of our exports using our shops and insurance, the flow of tourism, and a host of others."

Dr Mahathir added that it might be worth studying how much the country's neighbours have pushed Malaysian exports to other countries. He added that he had repeatedly heard stories of Malaysian produce being bought from third countries.

"I don't think these countries are doing us a free favour. I am told that other countries can sell our products cheaper than we can. If this is true then we must learn how they do it and then do it ourselves. The government is ever ready to cooperate, but don't just say subsidise or give us the taxes that you collect," he said;

Malaysians must resolve to be prudent in their spending abroad, on the import of both goods and services, and launch initiatives to increase foreign receipts from the export of goods as well as services.

Dr Mahathir earmarked tourism as one area having the best potential for significant and early results in efforts to try to improve the country's service account problem. Again, he expressed his dismay at the general apathy in the industry to aggressively promote the sector.

Compared with other Asean countries, Malaysia has yet to exploit to the full its potential for,

tourism. The promotion of tourism as a matter of national priority is set in the context of a balanced promotion for, domestic travellers as well as the attraction of regional and worldwide tourists.

"We cannot as yet afford the kind of anti-luxury that some people are advocating. Yes, we must preserve our natural beauty, but we cannot live in attap huts so that a few wandering hippies can commune with nature."

Dr Mahathir took to task the local hotel industry for making loud protest against the government's plea for them to slightly lower their room rates. Kuala Lumpur's high room rates has earned the city the "dubious distinction of being the second most expensive city in Asia."

He remarked that it would be better to have a consistently high occupancy rate due to Malaysia's good "no-squeeze" image than to have the yo-yo prosperity alternating with slump that high profits and high charges create.