

# NEED TO LOWER COST OF OUR PRODUCTS: DR M

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KUALA LUMPUR, Sat. — Malaysian goods may be priced out of the international market if efforts are not made to reduce the cost of production, Datuk Seri Dr Mahathir Mohamad warned tonight.

He pointed out that the cost of production of local goods was greater than that of Malaysia's competitors.

The Prime Minister felt that this was partly due to the high cost of professional services and the practice of calculating professional fees as a percentage of the cost of the project.

Dr Mahathir, in calling for a reduction in costs, said this would make Malaysian products more competitive on the international market.

"If we do not reduce our costs, we will be priced out of the market," he said at a dinner hosted by the Institute of

Surveyors Malaysia at the Hotel Pan Pacific.

Surveyors, for instance, should try to base their fees on the quantity of work or man-hour basis to ensure cost control, he added.

Dr Mahathir felt that the current system of calculating professional fees necessarily resulted in a higher income for professionals such as surveyors.

## Response

He cited the rapid rise in the price of houses and buildings over the past five to six years as an example of the influence wielded by surveyors over the cost of living in the country.

Referring to the Government's efforts to attract foreign investors to the country, he said numerous incentives had been offered over

the years.

"However, all the Government's efforts will be ineffective if they do not receive a positive response from the private sector.

"What I mean by a positive response is that the private sector should also play its part in creating the proper atmosphere to attract foreign investment."

On its part, the Government had taken steps to increase efficiency among public servants.

Dr Mahathir, however, said it was unfortunate that there were certain quarters who refused to appreciate the performance of Government servants.

Such negative response often caused disappointment among civil servants, he said.

Thus, the spirit of civil servants had waned and the Government's desire to promote the clean, efficient and trustworthy concept had been hindered.

The Prime Minister called for credit to be given where it was due.