

# Face it, we've lost edge in commodities'

By LIM HOCK CHYE

**MALAYSIANS** must accept the reality that they have lost the edge in commodity trade and that changes must be made or "we will deteriorate," Prime Minister Datuk Seri Dr Mahathir Mohamad warned yesterday.

Opening the International Productivity Conference (IPC) '86 in Kuala Lumpur, he said: "We were efficient but others were either more efficient or more innovative or both. To survive, we have to change. We have to accept temporary discomfort as we adjust to this new situation."

Dr Mahathir noted that Malaysians have become comfortable with the familiar, and have already grown into the mould. But a new mould requires adjustments and "this process is painful."

The changes proposed by the Government in the recently-presented Budget were intended to jolt the people out of their moulds.

With the collapse of commodities, the mainstay of the economies of the developing countries, Malaysians have no choice but to move into newer areas.

"We will have to depend more on manufacturing, for example. If we do this, then high productivity becomes even more crucial. It is not a question of urging our workers to be more productive. It is a question of asking everyone to be more productive," he said.

Dr Mahathir said the slashing of red tape in the Government is a contribution towards national productivity.

Similarly, privatization is also intended to improve productivity.

On workers' rights, Dr Mahathir said these must be what the developing countries can afford.

"Along with these rights must come a contribution to productivity. If what is produced cannot compete in the market, the end results must be a loss of jobs. Rights are meaningless without jobs," he stressed.

Dr Mahathir also pointed out that small countries have little economic clout.

"If our productivity is negated by quotas, protectionism and subsidies, we cannot despair. We will just have to be more efficient and more highly productive than ever. It is because of this that Malaysia continues to strive for greater productivity.

"Of course, we are doing lots of other things as well. But improving productivity remains a key factor in our strategy."

He called upon the private sector — the businessmen, the trade unions and the professional bodies — to be more productive.

"We think that the solution to our problem lies in improving productivity, not as a one off thing but as a continuous process."

Each should examine itself as much as it examines critically the role of others in improving productivity, he said. "This is difficult, of course. But if we want a better life, we have to make our personal sacrifices and contributions first."

Representatives from at least 16 countries are participating in the four-day conference, organised by the Asian Productivity Organisation (APO) in collaboration with the National Productivity Centre.