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KUALA LUMPUR, MARCH 11⁸⁷ (BERNAMA) -- PRIME MINISTER DATUK SERI DR. MAHATHIR MOHAMAD HAS URGED MALAYSIAN BUSINESSMEN TO EXPORT THEIR GOODS DIRECT INSTEAD OF VIA THIRD COUNTRIES SO AS TO INCREASE REVENUE FOR THE COUNTRY.

THE MOVE COULD ALSO WIDEN MARKETS FOR MALAYSIAN GOODS AND INCREASE BUSINESS FOR THE LOCAL INSURANCE, CONSULTANCY AND TRANSPORT SERVICES INCLUDING SHIPPING, HE SAID AT THE NATIONAL CHAMBER OF COMMERCE AND INDUSTRY OF MALAYSIA'S (NCCIM) ANNUAL DINNER HERE TONIGHT.

DATUK SERI DR MAHATHIR SAID THE COUNTRY WAS STILL EXPORTING THROUGH THIRD COUNTRIES, ESPECIALLY NEIGHBOURING ONES.

FOR EXAMPLE, THE VOLUME OF MALAYSIAN EXPORTS TO SINGAPORE WAS STILL THE SECOND LARGEST AMONG MALAYSIA'S TRADING PARTNERS AND IT WAS GENERAL KNOWLEDGE THAT MOST OF THESE GOODS WERE RE-EXPORTED TO OTHER COUNTRIES.

DATUK SERI DR MAHATHIR SAID HE WAS AWARE THE SITUATION HAD IMPROVED NOW COMPARED WITH PREVIOUSLY BUT IT WAS STILL NOT SATISFACTORY. -- MORE

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ON PRIMARY COMMODITIES, HE SAID THEIR IMPROVED PRICES RECENTLY SHOULD BE ABLE TO HELP IN THE COUNTRY'S ECONOMIC RECOVERY.

THE NATIONAL ECONOMY HAD REGISTERED A POSITIVE GROWTH LAST YEAR, WHICH ALTHOUGH COMING TO ONLY A HALF PERCENT GROWTH OF THE GROSS NATIONAL PRODUCT, WAS STILL A GOOD SIGN COMPARED WITH THE NEGATIVE GROWTH IN 1985.

+WHAT WE ARE HOPING FOR IS THAT PRICES OF THE COMMODITIES WILL CONTINUE TO REMAIN STABLE AND REACH A SATISFACTORY LEVEL,+ HE ADDED.

HE SAID TRADERS HOWEVER SHOULD BEAR IN MIND THAT REDUCING PRODUCTION COSTS WAS ALSO ESSENTIAL AND TOWARDS THIS END, EFFORTS TO INCREASE PRODUCTIVITY AND REDUCE COSTS SHOULD BE GIVEN PRIORITY.

IN VIEW OF THE WEAKENING DEMAND FOR COMMODITIES IN INDUSTRIAL MANUFACTURING, ONE OF THE STRATEGIES FOR THE COUNTRY'S LONG-TERM ECONOMIC DEVELOPMENT WAS TO DEVELOP THE INDUSTRIAL AND MANUFACTURING SECTORS, PARTICULARLY FOR EXPORT GOODS. -- MORE

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+AS SUCH, THE GOVERNMENT IS SERIOUSLY PROVIDING VARIOUS INCENTIVES FOR ENTREPRENEURS TO GO INTO MANUFACTURING, ESPECIALLY OF GOODS FOR EXPORT TO BOOST THE COUNTRY'S FOREIGN EXCHANGE EARNINGS,+ HE SAID.

WITH THE REDUCTION IN INTEREST RATES RECENTLY, INVESTMENTS IN THE MANUFACTURING SECTOR WERE EXPECTED TO SEE A RAPID INCREASE DUE TO THE LOWER COST OF INVESTMENT.

+I HOPE THE NCCIM AND OTHER BODIES ENCOURAGE THEIR MEMBERS TO INVEST IN THIS SECTOR,+ HE SAID.

DATUK SERI DR MAHATHIR SAID THE COUNTRY HAD GOOD POTENTIAL IN THE MANUFACTURING SECTOR, SUCH AS THE PRODUCTION OF PROTON SAGA COMPONENT PARTS, ELECTRICAL AND ELECTRONIC APPLIANCES AND FOODSTUFF.

HE STRESSED THAT LOCAL INVESTORS SHOULD HAVE THE CONFIDENCE TO HARNESS THIS POTENTIAL TO ENSURE THE PERCENTAGE OF LOCALLY MANUFACTURED GOODS ROSE TO MAKE THE SECTOR THE COUNTRY'S ECONOMIC BASE IN THE FUTURE.

THIS WOULD ALSO HELP BRING DOWN THE UNEMPLOYMENT RATE IN THE COUNTRY.

DATUK SERI DR MAHATHIR SAID MALAYSIA EXPORTED ABOUT \$13.6 BILLION WORTH OF MANUFACTURED GOODS LAST YEAR AND THE VALUE WAS EXPECTED TO INCREASE TO ABOUT \$15.2 BILLION THIS YEAR. -- BERNAMA

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