

D088

R E970 DEE
MAHATHIR-DINNER
BM

KUALA LUMPUR, JUNE 6 (BERNAMA) -- PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TONIGHT URGED MALAYSIAN MANUFACTURERS TO LEARN FROM MALAYSIA'S MORE DEVELOPED NEIGHBOURS ON CUTTING PRODUCTION COSTS TO MAKE THE COUNTRY'S GOODS MORE COMPETITIVE IN THE LOCAL AND FOREIGN MARKETS.

HE REGRETTED THE ATTITUDE OF MALAYSIAN MANUFACTURERS WHO WERE OVERLY DEPENDENT ON GOVERNMENT PROTECTION FOR THEIR PRODUCTS.

SPEAKING AT A DINNER OF THE SELANGOR AND FEDERAL TERRITORY MOTOR SPARE PARTS DEALERS ASSOCIATION AT THE PUTRA WORLD TRADE CENTRE HERE, HE SAID ALTHOUGH THE GOVERNMENT COULD PROVIDE THEM PROTECTION, THIS WAS ONLY CONFINED TO THE LOCAL MARKET.

IF SUCH PROTECTION WAS GIVEN FOR MALAYSIAN GOODS THAT WERE EXPORT-ORIENTED, THE FOREIGN COUNTRIES WOULD IMPOSE HIGH TAXES TO CURB THE MARKET FOR THE GOODS, HE SAID.

DATUK SERI DR MAHATHIR SAID EFFORTS MUST BE CONCENTRATED ON CUTTING COSTS BECAUSE COUNTRIES THAT DID NOT PRODUCE RAW MATERIALS LIKE SOUTH KOREA, TAIWAN, HONG KONG AND JAPAN HAD SUCCEEDED IN PRODUCING QUALITY GOODS AT COMPETITIVE PRICES. -- MORE

2326MST 06 06 87

D091

R E971 DEE
MAHATHIR-DINNER 2 KUALA LUMPUR

THIS HAD ENABLED THEM TO ENJOY A LARGER TRADE SURPLUS DESPITE THE CURRENT ECONOMIC RECESSION WHILE MALAYSIA'S EXPORT EARNINGS WHICH DEPENDED LARGELY ON ITS COMMODITIES HAD DECLINED DRASTICALLY, HE SAID.

+IT IS CLEAR THAT MALAYSIA CAN NO LONGER DEPEND SOLELY ON RAW MATERIALS LIKE IN THE PAST. BECAUSE OF THIS, THE GOVERNMENT IS NOW GIVING SERIOUS ATTENTION TO THE MANUFACTURING INDUSTRY,+ HE SAID.

HOWEVER, TO ACHIEVE THE SUCCESS HOPED FOR, THE MANUFACTURERS HAD NO CHOICE BUT TO PRODUCE CHEAP BUT QUALITY GOODS, HE ADDED.

DATUK SERI DR MAHATHIR SAID HE WAS SAD THAT THERE HAD BEEN INCIDENTS OF MALAYSIAN BUSINESSMEN NOT FULFILLING THEIR COMMITMENTS WITH THEIR FOREIGN COUNTERPARTS.

THIS, HE SAID, HAD AFFECTED MALAYSIA'S CREDIBILITY IN THE INTERNATIONAL MARKET, WHICH IN ITSELF HAD FURTHER HAMPERED TRADE GROWTH, AND DIRECTLY WEAKENED DEVELOPMENT OF THE NATIONAL ECONOMY.

-- MORE

2348MST 06 06 87

D092

R E972 DEE
MAHATHIR-DINNER 3 KUALA LUMPUR

HE ADVISED THE LOCAL BUSINESSMEN TO ALWAYS HOLD ON TO THE PRINCIPLE + HONESTY IS THE BEST POLICY +.

THE PRIME MINISTER WELCOMED STEPS BY THE ASSOCIATION TO START THE MANUFACTURE OF MOTOR SPARE PARTS, ADDING THAT WITH THE RAPID GROWTH OF THE LOCAL MOTOR VEHICLE MARKET, MALAYSIAN-MADE MOTOR SPARE PARTS WOULD FIND A LUCRATIVE MARKET NOT ONLY LOCALLY BUT ALSO ABROAD. -- BERNAMA

2349MST 06 06 87