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Mahathir-deficit

PM CONFIDENT THAT TRADE DEFICIT WILL CONTINUE TO FALL

KUALA LUMPUR, Feb 6 (Bernama) -- Datuk Seri Dr Mahathir Mohamad is confident that the country's trade deficit will continue to fall due to aggressive measures taken by the government and the private sector to cut imports and boost exports.

"If we act to reduce imports and step up exports then the deficit will fall. It has nothing to do with economic growth," the Prime Minister said today.

"Merely slowing down economic growth will not help to reduce the deficit," he told reporters after launching the first tunnel construction of Projek Usahasama Transit Ringan Automatik Sdn Bhd (Putra), here.

He was commenting on reports that the current account trade deficit for last November was significantly lower at RM49.2 million compared to October's figure of RM1.6 billion.

Dr Mahathir said one of the measures adopted to boost exports was to step up the production of Proton cars.

"The demand (for Proton) is so big but we did not increase the output for export... so now we have told them to increase the exports," he said.

On reducing imports, the Prime Minister said the measures taken included using more local resources.

"There are things which we can source from inside the country. For example, our capacity with regards to fabrication of steel structures," he said.

"We can do this within the country, why should we bring them from abroad ... not only can we use for our own country, we have the fabrication capacities for exports too."

He also cited as example the capacity to produce huge boilers in Melaka for export to Germany.

"We have plenty of abilities, it is only our marketing that is very poor," he said.

Dr Mahathir said the private sector had responded very well to the government's efforts to produce goods for exports.

He said a seminar participated by the private sector was held recently to change the direction of the country's industrialisation programme.

"Whereas before, industrialisation was with the objective of creating jobs for our people, today we don't have any unemployment, so now the thrust of industrialisation is to manufacture for export," he added. --

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