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PM suggests that brokerages also merge

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SENAI, Sun. - Brokerage firms should merge so that they could be financially stronger, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

"Mergers of banks is one thing, but we have too many brokerage firms and finance companies. They should all come together and become big companies so that they have greater power of resistance," he said.

Dr Mahathir was speaking at a Press conference at the Sultan Ismail Airport at the end of his two-day official visit to Johor. He was asked whether mergers among companies other than banks should be advocated to strengthen their positions.

Securities Commission executive chairman Datuk Dr Munir Majid had last December called on local stockbroking firms to merge into bigger entities to be stronger in terms of management capabilities and financial strength.

Munir had said the SC was not just interested in encouraging mergers among stockbroking companies, but also acquisitions by stronger entities.

To a question, Dr Mahathir said most infrastructure projects should be implemented by the private sector. The Government should participate in areas the private sector was not capable of undertaking, but without competing with Bumiputera companies.

To another question, Dr Mahathir said there were comments by foreign newspapers that Malaysia did not admit it was facing economic problems.

"They would like to see us submit to International Monetary Fund's conditions such as opening our country for foreign companies to come in and do whatever they like.

"We will try our best to manage our economy so that we don't have to resort to International Monetary Fund. That would mean we will completely lose control over our economy."

Earlier, when opening the Sultan Ismail Airport's new terminal, Dr Mahathir said the country was right to have built airports although the move was criticised.

It turned out that some airports, such as in Langkawi, had to be expanded regularly to cope with demand.

When the Sultan Ismail Airport was built, an international magazine had even described the project as a waste of funds.

"Now, the terminal building required an expansion...But believe me, this airport will also be inadequate in future."

Also present were his wife Datin Dr Siti Hasmah Mohd Ali, Menteri Besar Datuk Abdul Ghani Othman and his wife Datin Prof Dr Jamilah Ariffin, Transport Minister Datuk Seri Dr Ling Liong Sik and Malaysia Airports chairman Tan Sri Basir Ismail.

Dr Mahathir also launched an integrated farming programme by the Johor Government at the YPJ Oil Palm Estate in Kulai, about 50km from here, today.

He urged landowners to step up food production to reduce dependence on imports.

Efforts to cultivate land should be doubled as increased farm output could revitalise the economy.

Unlike other countries, he said Malaysia was blessed with good fertile land.

"It is not enough to just thank God for blessing our country with fertile land," he said. "We must show how grateful we really are by

working on the land and putting it to good use."

Also present were Agriculture Minister Datuk Amar Dr Sulaiman Daud, Defence Minister Datuk Syed Hamid Albar and Ghani.

The programme incorporates traditional farming with animal husbandary for maximum land utilisation, efficient use of resources namely fertilisers, and increased output.

Under the scheme which started in June last year, about 700 head of cattle are being reared on 4,500ha of oil palm plantation owned by YPJ Holdings Sdn Bhd, a YPJ wholly-owned subsidiary.

Dr Mahathir said the programme was an excellent initiative and should be supported by all landowners to maximise their farm produce.

"It involves minimal effort by landowners but it promises big returns. There is no reason why farmers should not adopt this programme," he said.

Dr Mahathir said plantation owners and smallholders should especially welcome the scheme although the price of palm oil was now high and their returns had gone up considerably.

Meanwhile, Ghani said more than 400,000ha of oil palm estate in Johor had been identified as suitable for integrated farming.

He regretted, however, the lukewarm response from private estate owners because they feared it would warrant additional workers, create problems in controlling cattle and lead to destruction of plants.

Ghani said the Johor Government had organised a seminar to "clear the air" and highlight the advantages of the scheme. Visits to plantations which have adopted integrated farming were also organised.

On controlling the cattle, Ghani said electric fencing had been introduced and had proven to be effective.

"Johor has the potential to double its present cattle stock of 50,000 head."

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