

Cut production cost, Dr M urges Proton

PUTRAJAYA: Malaysia will have to learn to reduce the cost of producing the national car to stay competitive in the era of globalisation, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

Dr Mahathir said that when the Asia Free Trade Agreement comes into effect soon, cars from Asian nations will not be subjected to high duties.

"We can't protect you any-

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more. You have to produce high quality cars that cost less," he said at the PERT (Petronas EON Racing Team) Asia-Pacific Rally Championship 2000 Group "N" victory dinner he hosted yesterday.

He said Proton should emulate the Korean automotive industry's cost of production which was 1/3 of Malaysia's.

"A lot of people had expected our car to be like a bullock cart," he said, adding

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that even cartoonist Lat had depicted the national car like a bullock cart in his cartoons.

"He was only joking but it was reflective of the people's lack of confidence in their own national car."

According to Dr Mahathir, foreigners were interested in buying Proton.

However, he said Malaysia would continue to own the company.