

**Set aside 3% of federal budget for R&D, says Dr M**  
**Malaysiakini.com**  
**May 5, 2011**

Former premier Dr Mahathir Mohamad has called on the federal government to set aside three percent of the national budget to fund research and development.

Speaking at an event to commemorate the 25th anniversary of Mimos Bhd, which advises the federal government on research and development, Mahathir said the company was proof that the R&D sector was viable.

He said the government initially provided just RM5 million to Mimos, which has now flourished and now ranks globally as a top patent holder for various technologies.

"Look how far we have gone with five million ringgit. I want to congratulate Mimos for the progress it has made in the area of R&D," he said.

Mahathir, who was credited during the event as a key figure in Mimos' establishment, said research was still a new concept for Malaysia.

"We are mainly using other people's research and products resulting from that research. But for us to do research, it is something quite new.

"We feel that we should not be spending so much of our money on research," he said, explaining that Malaysia had once confined its research and development sector to just agriculture.

Turning his attention to national carmaker Proton Bhd, Mahathir who is the company adviser, said Proton too had the turn to the federal government for research funding for electric and hybrid cars, but the dismal amount provided had slowed its progress.

**Proton's hybrids need R&D funds**

"We asked for some money... (yet the research) took us a long time because the standard amount (of funds disbursed) is RM50 million... by comparison, for General Motors to produce their so-called hybrid cars (the cost of research) is US\$3 billion," he said.

"So, we are beginning to understand that it costs money to do research. We hope that the government will fix a percentage of the national budget for research.

"Maybe not three percent, but slowly work up to three percent. Still, you can see that with the stingy amount of money we spend on research, we have achieved a lot," he said in jest.

Early last year, Proton and its wholly-owned subsidiary Lotus Engineering announced their venture into the development of small hybrid cars, which would be available sometime next year.

Mahathir was also reported as saying last November that the cars would be priced below RM100,000 and that Proton was moving towards developing green technology.

In comparison, the Honda Civic Hybrid and the Toyota Prius currently cost between RM110,000 and RM139,000.