

Competition in local car market a threat to thousands of jobs, says Dr Mahathir
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Proton Holdings Bhd chairman Tun Dr Mahathir Mohamad has mocked Putrajaya's tilt towards more competition in the local car industry, saying that if local brands lose out, hundreds of thousands will lose their jobs.

"If competing is what we have to do to benefit the consumers, we will do it. After all there are more consumers than people in the automotive industry.

"If we lose we may have to close down. A hundred thousand or so workers, engineers and managers will lose their jobs. Their families will suffer.

"But that is alright because the consumers will get better cars at lower prices from foreign countries," said Dr Mahathir, who founded the national car project in the mid-80s.

He wrote this on his blog chedet.cc in response to comments from the chief executive officer of the Malaysian Automotive Institute Madani Sahari on June 22.

The article had explored how Malaysian car brands Proton and Perodua were facing more competition from foreign cars after the National Automotive Policy (NAP) lifted protections for the local industry.

According to data from MAI, foreign brands have now grabbed 53% of the passenger car market in 2014, compared with 22% in 2006, when the NAP was first introduced.

Madani was then quoted as saying: "Competition is good as it will benefit consumers and allow local industry players to explore the export market. MAI was established to facilitate this development."

In his trademark sarcasm, Dr Mahathir likened this to comparing apples to oranges instead of apples with apples.

This is because he claimed that Japan, Korea, China and Germany imposed conditions and standards which prevent Malaysian cars from being imported to those countries to compete.

"So the consumers in Japan, Germany, Korea and China cannot enjoy the benefits of competition like their Malaysian counterparts."

He also said those countries' car industries were bigger than Malaysia's.

"We may win in a Quran competition but not, I think, in the automotive field. We do well in badminton and squash but not in football."

Buying foreign brands would also mean money going out to foreign countries which benefit workers there, he wrote.

“So let us compete and let our consumers enjoy the benefit. The people who lose their job would not be able to consume. But that is a small price to pay.” – July 2, 2015.

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