

MAHATHIR - TAX
BM

PENANG, NOV 21 (BERNAMA) -- THE GOVERNMENT WILL NOT REVIVE THE FREE PORT STATUS FOR PENANG ISLAND AS THE STATE IS NOW ENJOYING A MUCH HIGHER INCOME RATE THAN OTHER STATES, PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY.

HE SAID IT WOULD NOT BE FAIR TO ONLY EXEMPT PENANG FROM TAXES AS OTHER STATES WERE 25 PER CENT BEHIND IN TERMS OF INCOME RATE.

SPEAKING AT A PRESS CONFERENCE, AT THE END OF HIS OFFICIAL VISIT HERE, DATUK SERI DR MAHATHIR SAID LABUAN IN SABAH WAS GRANTED THE FREE PORT STATUS BECAUSE ITS VOLUME OF BUSINESS WAS MUCH SMALLER COMPARED TO THAT OF PENANG.

HE WAS, HOWEVER, CONFIDENT THAT PENANG'S POSITION AS A MAIN TOURIST CENTRE IN THE COUNTRY WOULD CONTINUE TO BE STRENGTHENED FOLLOWING THE GOVERNMENT'S MOVE IN ABOLISHING TAXES ON POPULAR TOURIST ITEMS.

HE HOPED SALES ON ITEMS SUCH AS CAMERAS AND PERFUMES WOULD CONTINUE TO INCREASE NOT ONLY IN THE STATE BUT ALSO THROUGHOUT THE COUNTRY. -- BERNAMA MORE 1710/MK

NO62 (F)
MAHATHIR - TAX 2 PENANG

DATUK SERI DR MAHATHIR ALSO HOPED THAT CAMERA AND PERFUME DEALERS IN THE STATE WOULD SELL THE ITEMS MUCH CHEAPER THAN THE PRICES IN HONG KONG AND SINGAPORE.

THIS COULD BE DONE AS THE OVERHEAD CHARGES IN THE STATE WERE MUCH LOWER THAN IN THOSE COUNTRIES, HE SAID.

THE PRIME MINISTER ADDED THAT BY SELLING THE ITEMS CHEAPLY MORE TOURISTS WOULD BE ATTRACTED TO VISIT PENANG.

ON DEVELOPMENT, DATUK SERI DR MAHATHIR EXPRESSED SATISFACTION WITH THE PROGRESS ACHIEVED IN THE STATE.

HE SAID THE PROPOSED BRIDGE CONNECTING THE ISLAND AND THE MAINLAND WOULD BENEFIT THE PEOPLE IN THE STATE SUCH AS BETTER BUSINESS OPPORTUNITIES. --BERNAMA MORE 1735/MD

NO63 (F)
MAHATHIR - TAX 3 PENANG

DATUK SERI DR MAHATHIR SAID WITH THE COMPLETION OF THE PROJECT PENANG ISLAND WOULD BE BROUGHT +CLOSER+ TO THE MAINLAND AND HINTED THAT BY THEN THE STATE WOULD NEED TO ASSUME A MORE SUITABLE NAME.

ON POLITICS, THE PRIME MINISTER WHO IS ALSO THE CHAIRMAN OF BARISAN NASIONAL, SAID DIFFERENCES OF OPINION AMONG COMPONENT PARTIES WERE SOMETHING NORMAL.

HOWEVER, IN THE QUESTION OF SELECTING CANDIDATES FOR ELECTIONS, DECISIONS ARRIVED AT MUST BE ACCEPTABLE TO ALL PARTIES IN THE BARISAN NASIONAL, HE SAID.

+I HOPE NO PARTY IN THE BARISAN NASIONAL WILL PUT UP A CANDIDATE AGAINST THAT OF THE BARISAN NASIONAL IN ANY CONSTITUENCY+, HE SAID. --BERNAMA MORE 1738/MD

NO64 (F)
MAHATHIR - TAX 4 PENANG

DATUK SERI DR MAHATHIR EMINDED THE PEOPLE IN THE STATE THAT THEIR FUTURE WOULD BE BLEAK IF THE STATE WAS GOVERNED BY A WEAK GOVERNMENT OR TAKEN OVER BY THE OPPOSITION.

HE SAID THE FEDERAL GOVERNMENT WOULD FIND DIFFICULTY IN EXTENDING ITS COOPERATION IF THE STATE WERE GOVERNED BY THE OPPOSITION.

PRESENT AT THE PRESS CONFERENCE WERE CHIEF MINISTER DR LIM CHONG EU AND MINISTER IN THE PRIME MINISTER'S DEPARTMENT DATUK ABDULLAH BADAWI. --BERNAMA 1740/MD