

MAHATHIR - INDUSTRY

82 (P)
KUALA LUMPUR, AUG. 3 (BERNAMA) -- AUSTRALIA HAD RESPONDED POSITIVELY TO MALAYSIA'S PROPOSAL FOR RELOCATION OF LOW TECHNOLOGY AND LABOUR INTENSIVE INDUSTRIES TO THIS COUNTRY.

STATING THIS HERE TODAY, PRIME MINISTER (DATUK SERI DR) MAHATHIR SAID MALAYSIA WAS INTERESTED IN MANUFACTURING COMPONENTS FOR MINI TRACTORS WHICH COULD BE ASSEMBLED IN AUSTRALIA FOR AUSTRALIAN USE APART FROM BEING ASSEMBLED HERE.

THE POINT WAS DISCUSSED DURING HIS SECOND ROUND OF TALKS WITH HIS AUSTRALIAN COUNTERPART, ENCIK MALCOLM FRASER, AT HIS OFFICE HERE THIS EVENING.

ON THE MALAYSIAN CALL FOR REMOVAL OF PROTECTIONISM TO ALLOW BETTER ACCESS OF MALAYSIAN GOODS TO THE AUSTRALIAN MARKET, DATUK SERI DR. MAHATHIR SAID HE HAD BEEN INFORMED BY AUSTRALIA THAT IT HAD A PROGRAMME FOR LOWERING TARIFF BARRIERS.

DESPITE TARIFF BARRIERS, TAIWAN, KOREA AND OTHER COUNTRIES WERE ABLE TO EXPORT TO AUSTRALIA CONSIDERABLE AMOUNTS OF MANUFACTURED PRODUCTS, HE SAID.

+SO MAYBE WE NEED TO EXAMINE THE REASONS WHY MALAYSIANS HAVE NOT BEEN ABLE TO BE AS SUCCESSFUL AS THE TAIWANESE OR THE KOREANS,+ HE SAID. --MORE 2103/AH

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THE TOTAL OF MALAYSIAN EXPORTS OF MANUFACTURED GOODS TO AUSTRALIA IS WORTH ONLY A\$19 MILLION (M\$44 MILLION) AGAINST THE TOTAL AUSTRALIAN IMPORTS OF A\$1.4 BILLION (M\$3.3 BILLION), HE SAID.

AFTER BEING POINTED OUT THIS, MALAYSIA SHOULD EXAMINE ITSELF FIRST BEFORE IT COULD ASK FOR THE TARIFFS TO BE LOWERED, HE SAID.

IF AUSTRALIA LOWER THE TARIFFS, IT WOULD ONLY BENEFIT OTHER COUNTRIES AND MALAYSIA WOULD NOT +FIGHT SOMEBODY ELSE'S WAR.+

ON HIS CRITICISM OVER AUSTRALIA'S POLICY OF +TAKING IN+ ONLY QUALIFIED MALAYSIANS TO SETTLE IN AUSTRALIA, THE PRIME MINISTER SAID THAT HIS STATEMENT WAS DIRECTED ESPECIALLY TO MALAYSIANS.

HE HOWEVER SAID IT WOULD BE MORE APPROPRIATE FOR AUSTRALIA TO ALSO ACCEPT THOSE WHO HAD FAILED IN THEIR EXAMINATIONS IN AUSTRALIA, WHO REFUSED TO RETURN HOME, APART FROM RETAINING THE QUALIFIED ONES.

ON DEFENCE MATTERS, THE PRIME MINISTER SAID HE HAD INFORMED ENCIK FRASER THAT THE AUSTRALIAN MIRAGE SQUADRON COULD STAY AT BUTTERWORTH AS LONG AS +AUSTRALIA FEELS THE NEED TO HAVE THE BASE THERE.+ --MORE 2115/AH

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IF AUSTRALIA DECIDE TO PULL OUT, MALAYSIA WOULD TAKE OVER THE BASE, HE ADDED.

+THE TIME FRAME IS NOT ALL THAT IMPORTANT AS THE ECONOMICS OF THE WHOLE THING,+ HE SAID.

IF THE AUSTRALIANS FELT THAT MAINTAINING A MIRAGE SQUADRON AT BUTTERWORTH WOULD BE PROHIBITIVELY COSTLY AND WANTED TO REPLACE IT WITH SOMETHING ELSE, IT WAS QUITE ACCEPTABLE TO MALAYSIA.

+IF THEY FEEL THAT THEY NEED NOT REPLACE IT AND THEY WANT TO PULL OUT COMPLETELY, THAT IS ALL RIGHT FOR US TOO,+ HE ADDED.

ENCIK FRASER TONIGHT ATTENDED A DINNER HOSTED BY THE AUSTRALIAN HIGH COMMISSION HERE.

HE LEAVES FOR PEKING TOMORROW FOR A TWO-DAY OFFICIAL VISIT. --BERNAMA 2118/AH