

Dr M's trip results in deals worth \$57m

By AHMAD A. TALIB

MALAYSIAN businessmen who accompanied Datuk Seri Dr Mahathir Mohamad on his visit to China struck business deals amounting to about \$57 million. Part of the transactions will be done on a barter basis, the Prime Minister said.

A deal involving the sale of 200,000 tons of hot briquetted iron from Sabah was also concluded during Dr Mahathir's visit which ended yesterday. The Prime Minister returned home last night.

Further negotiations will be conducted between businessmen and officials on each individual deal while talks will continue on a government to government basis to strengthen bilateral trade relations.

Dr Mahathir told newsmen on arrival at Subang airport that both coun-

over
tries revived an investment guarantee agreement, signed a double taxation agreement and agreed to continue official discussion on the use of shipping space for "mutual benefits."

He said: "My trip has been very successful in that it has made Malaysia and China understand each other's position better. While we may differ over some issues, we believe that these should not stand in the way of efforts to improve existing trade and economic relations."

He added that Chinese leaders appear keen to explore possible areas of economic cooperation with other Third World countries.

China was keen to participate in the International Tin Council (ITC) if this were beneficial, explaining in the meantime

BT 29 NOV 1985
that it's current excess production was only "temporary," Dr Mahathir said.

The Chinese Prime Minister, Mr Zhao Ziyang, was also responsive to some of Malaysia's ideas to consolidate economic relations, especially in attempts to seek a more balanced trade. Malaysia presently runs a deficit with China.

Trade with the republic would continue with traditional commodity items but Malaysia was hopeful that more manufactured items will be included in future transactions. Malaysia may purchase tea and jute from China in the coming years.

Dr Mahathir said Malaysia plans to take part in some of China's development plans, adding that much will de-

pend on future negotiations.

The Prime Minister was also asked to comment on the future of Labour Minister Datuk Mak Hon Kam in the Cabinet. Datuk Mak did not contest in the recent MCA elections and now has no post in the party.

Dr Mahathir replied that he will discuss the matter with the appropriate parties before making a decision, reminding Pressmen that though Datuk Mak is no longer holding a key post in the MCA, it does not necessarily mean that he will be out of the Cabinet.

There has been a precedent on this in the past, the Prime Minister noted.

Asked when the general elections will be held, Dr Mahathir said he will have to study all relevant factors before making a decision.