

## MAJECA-JAMECA ANNUAL MEETING

# Malaysia changing export trends

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By OUR REPORTER

MALAYSIA'S trading partners should realise that the country is changing from being almost exclusively an exporter of primary commodities to an exporter of processed raw materials and manufactured products, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

If this point is accepted, it would be to the best interest of both Malaysian and Japanese businessmen, and Malaysia-Japan relations as a whole, he said in a message to the two-

day annual Majecca and Jamecca (Malaysia-Japan and Japan-Malaysia Economic Associations) meeting in Tokyo yesterday. It was also the 10th anniversary for both associations.

Dr Mahathir expressed confidence that with abundant natural resources, trainable labour, and a stable government, Malaysia would continue to have "good prospects for attracting large inflows of foreign capital this year".

While the Government has

instituted various measures to attract investment into the country, he acknowledged that investment in the manufacturing sector this year would continue to be "influenced significantly by developments in the international environment."

He said the general prospects for investment this year would depend greatly on how competitive or attractive Malaysia is against other countries vying for the same investment funds.

In this context Malaysia has taken various measures to en-

sure it continues to be an attractive venue for investment, particularly for foreign participation in industrial projects.

These include tax relief, export incentive and allowance, double deduction of operational expenses, and new guidelines on foreign equity participation and on employment of expatriate staff.

These measures are said to be successful as reflected in the high number of applications for manufacturing licences last year for the establishment of new industrial

projects as well as the expansion of existing production capacities.

Dr Mahathir voiced his concern that the Japanese who have been the largest investor in the country in 1985, have been overtaken by two other nations last year.

"Members of both organisations should continue to look for avenues for investment in Malaysia as this will surely help to further strengthen the bilateral relations between our two countries for our mutual benefit," he said.