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Investment / J-V - Indonesia

Mahathir-triangle

NORTHERN GROWTH TRIANGLE CAN BRING IMMENSE BENEFITS, SAYS DR M

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LANGKAWI, July 18 (Bernama) -- Malaysia and Indonesia stand to gain from the many investment opportunities arising from the development of the northern growth triangle involving northern peninsular Malaysia, southern Thailand and northern Sumatra, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said in view of the worker shortage and increasing costs of labour in Malaysia, the growth cooperation would give a boost to industrial investments as workers could be recruited from northern Sumatra to take advantage of the low labour costs there.

There also existed opportunities in tourism between Langkawi and northern Sumatra and development in the estate sector and sheep rearing, he told a press conference at the airport here.

"We see that there are many areas which could enhance trade and economic relations between Malaysia and northern Sumatra," he said.

Dr Mahathir said the development of the growth triangle provided plenty of opportunities for the three countries to foster cooperation. -- more

KHY YBY

▼18/07/18-07MST
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Mahathir-triangle 2 Langkawi

Dr Mahathir said the growth triangle cooperation featured in his private talks with Indonesian President Suharto here over the weekend.

"We discussed the ways of implementing the growth triangle involving Malaysia, Thailand and Indonesia and other matters," he said.

A two-day ministerial meeting on the growth triangle begins here tomorrow.

He was also asked on the views expressed by certain quarters that Malaysia was paying more attention to the northern growth triangle than a similar cooperation involving Johor, Riau and Singapore.

Dr Mahathir said Johor had more experience in this field compared with the four northern states involved and this made it necessary for the federal government to coordinate development in the north.

However, he said the discussions he had with the ministers here showed that the federal government should also help Johor grab the opportunities available in the south. -- more

KHY YBY

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Mahathir-triangle 3 Langkawi

On the small amount of Malaysian investment in Indonesia, the prime minister said he was confident the figure would increase following the increasingly liberal and open nature of the Indonesian market.

Although Malaysia saw the many investment opportunities in Indonesia, it did not have that much capital to spare, he said.

"Apart from this, we practise the market system and the private sector avail themselves to the opportunities in the market. They will definitely use this limited capital to invest in areas which, in their opinion, can bring the fastest returns.

"Because of this some of them invest in Vietnam, China and so on," he said.

Dr Mahathir said the meeting also touched on the problem of Indonesian workers in Malaysia and they (Suharto and him) agreed that it was important to have a good mechanism to manage the entry of Indonesian workers into Malaysia. -- more

KHY YBY

18/07/18-44MST

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Mahathir-triangle 4 (last) Langkawi

He said the manpower ministers of both countries would work out the appropriate mechanism to ensure a more orderly entry of Indonesian workers.

"However, only workers who are really interested will be given the opportunity to work here to meet the needs of Malaysia," he said.

He said Malaysia was studying the possibility of allowing workers to use border passes to facilitate the entry of Indonesian workers, for example from Sumatra. -- Bernama

KHY