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Mahathir - Labuan

MAHATHIR CALLS FOR MORE OFFSHORE BANKS IN LABUAN

LABUAN, Sept 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today expressed the hope that more offshore banks will operate here after the completion of the RM600 million financial park by 1995.

He said by then Labuan would have all the required facilities to support the operation of financial business activities like offshore banks and at the same time would have more tourist attractions.

Speaking to reporters after a one-day visit here, he expressed satisfaction with the progress of the island and said that Labuan had the potential to be on par with Langkawi.

On complaints about business downturn on the island, he advised the private sector to look into projects that would stimulate local economy and investments into Labuan.

The retail business sector here was reported to be experiencing a dismal performance with sales going down to as much as 30 per cent since June this year.

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▼01/09/19-27MST

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Mahathir-Labuan 2 Labuan

He said Labuan would soon have an air link with neighbouring Brunei and negotiations were still underway to have direct air links with Hong Kong.

Asked on the economic growth triangle concept that was proposed during his recent meeting with Philippine President Fidel Ramos, he said the proposal was yet to take off the ground and the Philippines appeared to be more keen on enhancing trade with Malaysia.

He said that many Malaysians were investing in the Philippines particularly in the Subic Bay region.

On the proposal to allow Malaysian visitors to Labuan to take back duty-free goods after a 24-hour visit instead of the present 72-hours, he said this was not possible.

"We want people to visit Labuan to spend their time and money, not to just shop and go back," he said.-- more

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Recently, Labuan Chinese Chamber of Commerce Secretary Roger Tay suggested that the government relax its ruling on duty free goods to stimulate the growth in retail industry which was declining due to fewer people visiting the island.

While here, the Prime Minister toured several projects, including works on the financial park, the Labuan Marina Centre and the 200-room Fabers Hotel.

He also visited the RM15-million exclusive resort hotel and the Sheraton Manikar Hotel developed by the Landmark Group.

He was briefed on the development plans for Labuan at the Labuan Development Authority office by its General Manager Mainor Awang.

Dr Mahathir who flew in from Kuching after attending the National Day celebrations, was accompanied by his wife, Datuk Seri Datin Paduka Dr Siti Hasmah. They returned to Kuala Lumpur later in the evening.

This morning, soon after arrival here, he boarded a Royal Malaysian Air Force Caribou aircraft for the one- and-a- half hour flight to layang-layang islands north-west of here.--Bernama

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