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Don't add cumbersome investment conditions, States told

KUALA LUMPUR, Tues. - State Governments and local authorities should examine the additional conditions they impose on investors to see if they are hindering investment, International Trade and Industry Minister Datuk Seri Rafidah Aziz said today.

She said they should instead harmonise their policies with those of the Government and refrain from adding cumbersome conditions of their own.

"Their policies should not add on to the investors cost of doing business here," said Rafidah after opening a photography exhibition at the Japan Cultural Centre.

She was commenting on Prime Minister Datuk Seri Dr Mahathir Mohamad's call yesterday for State Governments not to impose conditions and monetary charges that could drive potential investors away.

Among such conditions imposed on investors are the percentage of Bumiputera equity in the company, quota of local workers and payment of land premiums.

"Some States have already responded and have done away with regulations or additional conditions that are too cumbersome for investors," she said adding that such problems were faced by investors in all States.

Rafidah said investors who found it difficult to invest in one State often went to another where regulations were more reasonable.

She also said Malaysia and Japan had set up a task force to resolve the problem of Malaysia's trade deficit with Japan.

The task force, a result of Japanese Prime Minister Ryutaro Hashimoto's recent visit here, had its first meeting recently.

She said the task force comprising officials from her ministry and Japanese counterparts would examine ways to reduce the trade imbalance which had persistently been in Japan's favour for a number of years.

Malaysia's imports from Japan totalled RM48.398 billion last year, while Japanese exports to Malaysia stood at RM26.378 billion.

In 1995, Malaysia imported RM53.088 billion worth of goods from Japan and exported RM23.449 billion worth of products to the country.

The 10-day exhibiton launched today features a collection of 45 photographs taken in Honshu, Japan by Dr Kamaruddin M. Said, an associate professor at Universiti Kebangsaan Malaysia.

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