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Downer: Aussie businesses in Malaysia won't back out

KUALA LUMPUR, Thurs. - Australia will not walk away from Malaysia but will remain engaged in business activities in the country throughout the economic downturn, Australian Foreign Minister Alexander Downer said today.

"Australia is a friend of Malaysia not only during easy times but in the long haul.

"I made it clear to the Prime Minister (Datuk Seri Dr Mahathir Mohamad) that Australian businesses throughout the economic crisis will remain engaged and will not just walk away during this difficult time," he said after meeting Dr Mahathir.

Downer arrived here yesterday for a three-day visit, his fourth since becoming Foreign Minister in early 1996. He also called on Deputy Prime Minister Datuk Seri Anwar Ibrahim and Special Functions Minister Tun Daim Zainuddin.

Downer said Australian businessmen knew that Malaysia needed time to recover and that they too could benefit from such recovery.

"They also realise that if they walk away now from the Malaysian economy, they will find it very hard to get back into the Malaysian market when the good times return."

Downer said his discussions with Dr Mahathir focused on the forthcoming Asia-Pacific Economic Co-operation meeting to be held here in November.

He said he also suggested to Dr Mahathir that Apec countries develop a system for them to address the Asian economic crisis and assist each other in overcoming it.

Downer also confirmed that there had been a 17 per cent drop since last year in the number of Malaysians pursuing further studies in Australia, one of the more popular choices among Malaysian students.

On whether negative statements against Asians by Pauline Hanson, the One Nation Party leader contributed to the drop in the percentage, Downer said: "We have no evidence that Hanson's comments have had anything to do with that."

He said Australia still offered the best opportunities for Malaysian students.

Later, addressing Malaysian and Australian businessmen over dinner, Downer said Australia stands committed to strengthening ties with Malaysia and finding ways to assist each other in difficult times.

He was optimistic that Australia and Malaysia could work together through trade and investment, political and educational exchanges and extensive dialogue.

He said identifying business opportunities in the two countries that could be conducted to mutual advantage was the best way to address the current economic difficulties.

"We must not lose sight that the economic strengths which made East Asia highly attractive to global investors over the past two decades have not disappeared.

"High savings rates continue and an increasingly skilled and educated workforce will be able to capitalise on the upswing which will inevitably come."

The dinner was hosted by the Malaysia-Australia Business Council.

He said the regional downturn has had an impact on Australia's economy with exports to Indonesia, Korea, Thailand, Malaysia and other markets in

the region significantly reduced.

"Regardless of the shorter-term growth prospects, the East Asian market is 18 times larger than the Australian market, and imports around US\$1.4 trillion (RM5.86 trillion) worth of merchandise each year," he said.

Downer said Malaysia had become increasingly important to Australia with bilateral trade having reached A\$4.5 billion (RM11.92 billion), making it the 12th largest trading partner.

He also said the pending Commonwealth Games would provide an opportunity to showcase Malaysia to a new audience in Australia.

Downer and his delegation will leave for Manila tomorrow to attend the Asean Ministerial Meetings and Post Ministerial Conference.

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