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Call to set up a task force

tap Parameswaran; Zulkifli Othman

AUSTRALIA will propose that a task force be set up to identify weaknesses in the international financial system at the Apec leaders meeting beginning today, and for the issue to be handled at the Group of 22 (G-22) countries level.

Speaking to reporters after bilateral talks with Prime Minister Datuk Seri Dr Mahathir Mohamad yesterday at the sidelines of the ongoing Asia Pacific Economic Cooperation meeting, Australian Prime Minister John Howard said it is crucial for economic growth to get going again.

The G-22, formed in Washington earlier this year, is a forum between the developed economies of the G-7 and the developing economies of the G-15. It has met twice to date.

Asked for his views on the outcome of discussions on the Early Voluntary Sectoral Liberalisation (EVSL) scheme, Howard said he would prefer that the Vancouver agreement be adhered to.

"In that sense it is the second best result, but one should not despair that it is going to the World Trade Organisation.

Howard distanced himself from making direct comments on Malaysia's selected capital controls.

"However, I am somebody who supports free flow of finance around the world. But I do understand that many countries in the region, including Malaysia, have suffered."

Howard also said he had discussed the Anwar Ibrahim case during his talks with Dr Mahathir.

"We had a lengthy discussion about it. I hope there will be a transparent and independent judicial handling of the issue. I expressed some views and he provided me with a response. We will leave it at that," he said.

Australia views its relations with Malaysia as important. "That is why I wanted to see Dr Mahathir and we had a very frank and courteous discussion. We always have.

"It is very important since there are some 150,000 Malaysians who have been educated in Australia, and our links are very tight.

"I will always work hard to keep the relationship in good repair, recognising that from time to time we are going to have differences of opinion ... even bigger ones."

Briefing reporters on the bilateral meeting, International Trade and Industry Minister Datuk Seri Rafidah Aziz said Australia will offer at the Apec leaders meeting an aid package for countries affected by the economic crisis.

The aid package, which need not necessarily be in monetary form, will be aimed at strengthening the economic governance capacity of the countries concerned.

Meanwhile, Foreign Minister Datuk Seri Abdullah Ahmad Badawi said the Australian Premier also asked about Malaysia's position regarding the Five Power Defence Arrangement (FPDA).

"Dr Mahathir explained that Malaysia feels the FPDA is still useful, but could not participate in a recent exercise because of economic problems on our side," he said.

The other countries participating in the FPDA are the UK, Australia, New Zealand and Singapore.

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