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JAPANESE-MISSION

JAPAN'S KEIDANREN INVESTMENTS TO STAY PUT IN MALAYSIA

KUALA LUMPUR, Nov 26 (Bernama) -- The Japan Federation of Economic Organisation (Keidanren), which consists of giant Japanese companies, today renewed their commitment to Malaysia and have pledged that their investment in the country are here to stay.

Foreign Affairs Undersecretary for East and South Asia, Datuk Syed Norulzaman Syed Kamarulzaman said today that members of the organisation voiced their commitment during their meeting with Prime Minister Datuk Seri Dr Mahathir Mohamad, this morning.

"The organisation also showed their commitment to ensure continued employment among locals in Japanese companies in the country.

"They made this point during their meeting with the Prime Minister," he told reporters after the meeting at the Prime Minister's Department.

Keidanren is led by chairman Encik Takashi Imai, who is also the chairman of Nippon Steel Corporation. Other members of the mission who attended the meeting include leaders of Japanese companies like Mitsui & Co Ltd, Sony Corporation and Asahi Breweries Ltd.

The 24-member mission is currently touring the region and it is the first time since 1995, that a Keidanren delegation is consisting of top notch Japanese businessmen.

Mission members will visit Singapore next after their two-day visit to Malaysia.

Syed Norulzaman said during the meeting, the Japanese businessmen, among others, wanted to know more about the economic measures taken by Malaysia, particularly the currency controls and the pegging of the ringgit to the US dollar at RM3.8.

"Dr Mahathir explained the rationale behind various economic measures, including the pegging of the ringgit and they understood.

"They were also encouraged that there were signs of improvement following the implementation of these measures, he added.

Syed Norulzaman also said the Prime Minister assured them that the pegging of the ringgit to US dollar was not something the Malaysian government was going to change overnight as it would disrupt business.

"The Prime Minister assured them that the pegging of the ringgit to US dollar at RM3.80 will stay for the time being," he said.

Syed Norulzaman also added that mission members in turn explained to Dr Mahathir the kind of economic measures taken to revive the Japanese economy.

"There is an understanding of each country's role which is of importance as the recovery of Malaysia and Japan will help this region," he said.

He added that the mission also supported Japan's yen loan of US1.8 billion to Malaysia to help ease the country's burden during the current economic crisis.

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