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S. Australia to open trade office in KL

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INSPITE of the regional economic problems, South Australia has strong confidence in Malaysia's future economy that it will open its trade office in Kuala Lumpur.

Visiting South Australian Premier John Olsen said the state believes Malaysia will emerge stronger from the economic crisis compared with other countries in the region.

As such, the state is looking for more cooperation with Malaysia in car industry, aquaculture, health and education.

Olsen attributed Malaysia's strengths to its strong fundamentals and visionary projects such as the Multimedia Super Corridor (MSC).

"I give credit to the focus that Malaysia has on the future," he said, adding that despite the local economic circumstances, South Australia is looking at Malaysia's long-term fundamentals.

He said the proposed South Australian trade office will enhance the bilateral trade as it would explore opportunities for future trade and joint-ventures.

He said the trade office will be opened this year, after several discussions to be held between officials from Malaysia and South Australia.

Olsen is leading a South Australian economic mission to Malaysia, comprising representatives from 30 South Australian companies, looking for tie-ups with local businessmen.

Speaking at a media conference after meeting International Trade and Industry Minister Datuk Seri Rafidah Aziz at her office in Kuala Lumpur yesterday, Olsen said Rafidah and he had discussed cooperation possibilities in various areas.

These include the possibilities of joint-ventures, and research and development (R and D).

Currently, South Australia exports automotive components to Ford in the US, BMW in Germany, Hyundai in South Korea and Mitsubishi in Japan.

"We are looking for cooperation in the automotive industry in next four to five years, either in joint-venture, or R and D with Malaysian-based companies," he said.

Olsen said South Australian companies based in Malaysia are interested to work with local companies to provide services to the MSC.

The state's trade officials will have further discussion on this cooperation, he added.

Olsen said he has discussed with Rafidah on the possibility of exporting tuna fish into Japanese market via Kuala Lumpur using Malaysia Airlines' cargo flights.

This followed Southern Australia's aquaculture industry which has expanded substantially, especially in tuna-breeding.

He also talked on the possibility of a joint R and D with Malaysia in aquaculture as the South Australian Research Institute has a leading edge in that field.

For both 1996 and 1997, South Australia's imports from Malaysia were valued at A\$38.01 million (A\$1 = RM2.61) for products such as crude materials, mineral fuels, lubricants and related materials, machinery and transport equipment, manufactured articles, food and live animals.

Its exports to Malaysia for the same period were worth at A\$115.46 million including metal products, basic iron and steel, food, beverage and

tobacco, machinery and equipment as well as products from agricultural, forestry and fishing sectors.

Meanwhile, Bernama reports, Prime Minister Datuk Seri Dr Mahathir Mohamad yesterday held talks with John Olsen at the Prime Minister's office.

Olsen, accompanied by a 30-member delegation, arrived here on Sunday for four-day mission to look for a long-term relationship with Malaysian businessmen in areas such as aquaculture and education as well as health.

Olsen earlier expressed his confidence over Malaysia's strong economic future and believed that it would "re-emerge faster" from the economic crisis.

He said despite the current difficulties, Malaysia's economic fundamentals were strong.

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