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Levy shows govt flexibility: PM

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THE new flat 10 per cent levy on repatriation of portfolio investment profits shows that the Government is flexible and willing to listen to investors' problems, Prime Minister Datuk Seri Dr Mahathir Mohamad says. He said after foreign unit trust managers said they faced difficulties with the previous two-tier levy, the Government decided to change it.

"If it is not going to hurt us, we don't mind changing," Dr Mahathir said during a dialogue session with participants of the 4th Multimedia Asia (MMA '99) Conference in Kuala Lumpur yesterday.

He was asked by a World Bank representative what assurances the Government can give that there will not be undue restrictions with regard to the Multimedia Super Corridor (MSC).

"In the MSC, we have guaranteed that information will not be restricted. We will not censor the Internet, for example. You can bring information in and out of the corridor quite freely," Dr Mahathir said.

He said the only restriction, for example, is if pornographic material is downloaded and distributed outside the Corridor. In this case, other laws may be applied.

"We are very flexible because that is the only way we have succeeded; by listening to others. We are business-friendly. We believe in Malaysia Incorporated, which means that the Government should sit down with the private sector and listen to them.

"Of course, they should also listen to the Government, but we listen to them largely, and if they have ideas that are good for us, we are always willing to listen and to implement them," Dr Mahathir said.

He said this is a reputation the country has got with foreign investors, which is why many of them come to Malaysia.

"Of course, there will be the other rhetorical statements made by irresponsible political leaders like myself," he said to laughter. "But I think businessmen are very hardheaded people. They are not going to be affected by such things."

Dr Mahathir said businessmen are more interested in being able to predict the future, and whether the Government will make a 180 degree turn in its policies.

"For example, at the next election will the Islamic party win and decide to throw all television sets into the drain because they are instruments of satan? Well, they have not won, and they are not likely to win. So you can be sure that we will not make these sudden twists and turns.

Unless, of course, somebody applies some new things on us which hurt us.

"For example, we were quite happy to have the Malaysian ringgit traded freely, but somebody abused that privilege and we had to look after our interests, without hurting other people," Dr Mahathir said.

He said Malaysia's currency control measures have not hurt others, which is why foreign capital is still coming in.

"People are still investing in productive capacities in Malaysia. They are even investing in the stock market because they know we don't do anything out of spite or out of some ideological beliefs. Rather, we want to do things that will be acceptable to other people because it benefits them," Dr Mahathir said.

The two-day conference is part of the MMA '99 exhibition, held at the Mines International Exhibition Centre from September 23 to 26. It is jointly organised by the National IT Council, Mimos Bhd, and the

Multimedia Development Corp.
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