

More FDIs in local ports and airlines

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PETALING JAYA, Tues: The government will allow more foreign direct investments (FDIs) in domestic ports and airline companies as it is important to have strategic alliances.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the government wants to encourage strategic alliances as investments alone are not enough.

"We do not allow people just to invest. Like the pension funds, they do invest but they bring nothing but money.

"What we are interested in is people with certain expertise, markets or services which will contribute towards the performance of our facilities through their investments," he said.

Asked whether there would be more incentives to entice FDIs in ports and airlines, Mahathir said he did not think there is a need to do so.

"I don't think there is any need for incentives. I think they come because it is a good investment for them," said Mahathir at a press conference after opening the Knowledge and the 21st Century Economy Conference at a hotel here.

He said any country can give incentives - more impor-

tantly, investors have to look at the political situation, its stability, management of the economy and growth. "All these things are factors that help people to make a decision whether to invest or not."

The event was organised by MCA English Speaking Membership Bureau, and was attended by 2,400 participants

from various sectors.

The Prime Minister said he spoke to several foreign investors, and they still think Malaysia is a good bet.

Asked if there are decisions to reduce corporate taxes, he said the government has promised to reduce it, but when it will be done is another matter.

On whether the tobacco industry will be hit by new taxes, he said while the industry generally fears the budget, it nevertheless can survive new taxes and is still able to make a lot of profits.

About 2,000 copies of *The Sun* and 200 copies of *The Edge* were distributed free at the function.