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Malaysia will compete for foreign investment

Eirmalasare Bani

MALAYSIA will continue to attract foreign investments but there will be a limit to what the country can give to these investors, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

"We have to compete with other countries. We will look at what they want that we can give. If we cannot give, then we would not give," he told reporters upon his return from working visits to Britain and Bosnia-Herzegovina at the Sultan Abdul Aziz Shah Airport in Subang yesterday.

He was earlier asked to comment on a recent report that US investments into Malaysia may dip due to high competition from other countries.

The report quoted American-Malaysian Chamber of Commerce president Nicholas Zefferys as saying that other countries have now started offering similar, if not better incentives as to what offered by Malaysia.

Early this month, the Malaysian Industrial Development Authority (Mida) opened its fifth office in the US to better serve the needs of American investors and attract more high-technology and knowledged-based investments from the US.

The other Mida offices in the US are in Los Angeles, New York, Chicago, San Jose and the latest one, Boston.

Last year, Malaysia's trade with the US accounted for 19.9 per cent of the country's global trade. Between 1998 and August this year, applications for investments from American investors totalled 99 projects worth US\$3.25 billion (US\$1 = RM3.80).

When asked to comment on Europe's largest airline, British Airways, to suspend all of its London-Kuala Lumpur flights beginning April next year, Dr Mahathir declined to comment as he has yet to receive details on the matter.

He, however, said there was no indication from the British Government over the issue when he visited Britain.

British Airways has been flying into Malaysia for the last 50 years and ferries about 100,000 passengers a year on the route. Its decision, conveyed to the Transport Ministry by facsimile on Wednesday morning, is said to be part of the carrier's larger rationalisation of operations in the region.

It was also said that the British carrier could no longer bear the losses on the London-Kuala Lumpur route which amounted to a staggering STG12 million (STG1 = RM5.16) a year in the past six years.

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