

13/03/2000

Towards ensuring bilateral prosperity

K.P. Waran

"WHEN you look at the relationship between our two countries not only is it long-standing but it strikes you as a diverse one. From the level of leaders, the business community to the common people, there already exists a strong foundation.

"As High Commissioner I will be seeking to build on this already strong ties that exists," said Peter N. Varghese newly appointed High Commissioner of Australia to Malaysia.

He stressed that both countries enjoyed a relationship of substance and since leaders of both countries come from societies known to express their views directly and frankly - differing view points often get highlighted. Varghese's parents left Kerala, India to teach in a convent school in Kenya where he was born. In 1964 his parents decided to move to Australia when he was eight years old.

After graduating from Queensland University he joined the foreign service in 1979.

Varghese, who is married and has a 16-year-old son, is well versed with bilateral and regional issues having worked the last two years in the Prime Minister's Department where he headed the international division. Since arriving in Kuala Lumpur, he has discovered that everywhere he went and nearly everybody he spoke to seem to have some link or other with Australia.

"I find this exciting, Malaysians seem to know a lot about Australia ... most of them have a friend or relative who either studied there or live there," he said.

He attributed this to the education ties which over 50 years have resulted in 150,000 Malaysians graduating from Australian institutions of higher learning and with 16,000 students currently studying there it has become the largest provider of education services for Malaysians abroad. Varghese who first visited Kuala Lumpur and Malacca for a week in 1973, is impressed by the fast pace of growth and development that has engulfed Malaysia.

"I could not help but be impressed at Malaysia's growth and there is continuous signs of development," said Varghese who had since made three brief visits to Malaysia in 1997 and 1998 with official delegations.

He said a major milestone of the educational ties binding the two countries is the establishment of two branch campuses of the Monash and Curtin Universities in Malaysia.

Also a dozen colleges teach Australian degrees here with 5,000 students embarking on these courses.

He said in the long term this would further benefit both countries and help provide excellent linkages between them.

Defence co-operation between the two countries have been a long standing one starting from the days of the Emergency and Confrontation with Indonesia.

He said the Five Power Defence Agreement (FDPA) which involves Britain, Australia, New Zealand, Malaysia and Singapore is very broad-based and currently 150 military officers are based in Butterworth under the agreement.

The same number of Malaysian officers are also presently training in Australia.

He said the next FDPA meeting scheduled in Kuala Lumpur this year was

important to chart a new course for the grouping in the new millennium. Trade and Investment of both countries are on growth trajectory with Australia looking at four per cent growth rate while Malaysian exports have more than doubled in the past five years with Malaysia enjoying an A\$1.3 billion (RM3 billion) surplus in its favour.

Australian entrepreneurs are interested in joint-ventures in agriculture business, healthcare and Information technology - where the establishment of the Multimedia Super Corridor is a clear indication of Malaysia's commitment to this sector and added that Australian firms have developed some niche areas which Malaysian companies could benefit through mutual ventures.

He said investment relations were underdeveloped with Malaysian investors in Australia focusing on the property market and added that they should look at more quality and value added sectors including the services sector.

Tourism is picking up with about 100,000 people travelling each way but he added that Australia intends step up its promotion efforts to encourage more Malaysians to visit "Down Under".

He said the Australian-New Zealand economic grouping called Closer Economic Relations (CER) was seeking closer ties with Asean and the Asean Free Trade Area (Afta) to be established by the year 2010.

Early last month a high-level task force comprising representatives from the Asean, Australia and New Zealand met and discussed the possible scope and coverage of the proposed free trade area and agreed on the areas that require further study. The task force is scheduled to meet again at the end of next month.

Varghese said the two countries shared similar views on many global issues.

"Prime Minister Datuk Seri Dr Mahathir Mohamad has focused on the international financial system and John Howard (Australian PM) has similar views on this issue. In some areas we see things very much the same and we are united in the view that the current financial system needs to be revamped.

"Especially there is a need for transparency in the operations of hedge funds and this is something that both Australia and Malaysia can work on," he said.

He said that there were some perceptions of Australia being portrayed by the media which need to be put right and he hoped to explain Australia's stand on some of the issues from time to time.

"When you look at a relationship you have to see the weight that it carries. In the case of Australia and Malaysia there is growth in many common areas therefore the flurries should not be given an exaggerated rating.

"Our leaders have shown in the past that they can discuss and tackle issues and problems directly without putting the relationship in jeopardy. So the two countries can look forward to more fruitful ventures and stronger ties.

"Australia does not pretend to be an Asian country because our history and geography makes it difficult to put a label on it but we emphasise close, friendly and engaging relations to ensure bilateral prosperity and also growth for the whole region," he said.

(END)