

British goods - Malaysia acts

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KUALA LUMPUR, Fri.
— All Government departments and agencies will have to get the Prime Minister's Department's endorsement before they can award any tender to a British concern.

Prime Minister Datuk Seri Dr Mahathir Mohamad said today the decision was made at the last Cabinet meeting two days ago.

This apparently confirmed the *Business Times* report that all Government departments and statutory bodies have been given a directive to look for alternative suppliers for what they now buy from Britain.

The *Business Times* also reported that they were asked to give preference to consultants from oth-

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er countries in the award of contracts.

The directive was apparently in response to the action taken by the Council of the Securities Industry in Britain last week to amend rules governing large share acquisition and takeovers on the UK stock market following the successful bid by Permodalan Nasional Bhd to acquire control of Guthrie Corporation.

Datuk Seri Dr Mahathir told reporters today that ministries, departments and agencies would have to submit to his department any award to be made to a British firm together with a non-British alternative choice.

The procedure also applies to British joint-venture companies including those with Malaysian interests.

He said it would then be up to the Prime Minister's Department whether to award the contract to the British firms or to the alternative tenderer.

The Prime Minister said the State Governments had also been informed of the Federal Government's decision.

However, he added that it was up to the State Governments to follow the directive.

He said the Chief Secretary to the Government, Tan Sri Hashim Aman, had been directed to inform all Government Departments of the decision.

The British Minister of State for Trade, Mr Peter Rees, who ended a three-

day visit here yesterday, had said that there was no reason why Malaysia should stop trading with Britain or why British companies should not invest here.

On Mr Rees' comment on nationalisation, the Prime Minister said Malaysia did not nationalise any foreign firms in the country.

He said the Government reserved the right to buy shares like any other people through any of its agencies.

"There is no need for further clarification on a policy that is already known," he added.