

'British-last'

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policy goes

By SHARIFAH ROZITA

KUALA LUMPUR, Sat. — The Prime Minister's Department will no longer vet any contract or tender awards involving British firms in any project for Government agencies and departments, Datuk Seri Dr Mahathir Mohamad said today.

It is now up to the administrators in the various departments concerned to decide on the tenders or contracts.

In what appears to be a lifting of the Gov-

ernment's "buy-British-last" policy, Datuk Seri Dr Mahathir said the Implementation and Coordination Unit (ICU) which had been vetting tender award proposals from British firms, along with those from non-British companies, would cease this duty.

He admitted that the Government directive on vetting was "ineffective anyway, as we have been forced to buy British since their goods are cheaper."

Datuk Seri Dr Mahathir had said in London after his private meeting with the British Premier Marga-

ret Thatcher last month that the Government might review the policy to see if it could be revised, relaxed or dropped.

Relations between the two countries, he had said, were now on a better footing.

Datuk Seri Dr Mahathir had lashed out at the British attitude towards Malaysia just before he became Prime Minister in July 1981. Problems between the two countries had deteriorated since Britain decided to impose higher fees on overseas students.

This had been compounded by other issues, such as reduced technical assistance and the lightning takeover of Guthrie by Permodalan Nasional Berhad.

Datuk Seri Dr Mahathir maintained, however, that there would be no favouritism in the award of tenders and contracts or appointment of British consultants.

"There will be no encouragement nor any favouritism towards the British," he added.

"Anyhow, we have been buying British goods since they are cheaper as the pound has dropped."

He could not estimate how much Britain had lost in its trade with Malaysia since the imposition of the policy.

Bank Negara figures show that between January and November last year, imports from Britain had registered a 0.5 per cent drop, totalling only \$954.8 million compared to \$964.1 million in the same period in 1981.

Contracts

Malaysia's exports to Britain in the same period had registered a 0.1 per cent increase, from \$624.8 million in 1981 to \$634.9 million.

The directive on vetting was issued in October 1981.

Under the directive, any proposal to award contracts or tenders to British firms for any Government project would have to be endorsed by the Prime Minister's Department.

All matters relating to British consultants, partnerships and joint-ventures would also have to be submitted for the final decision from the PM's Department.

Datuk Seri Dr Mahathir said he had briefed the Umno Supreme Council at today's meeting on his London visit.