

UE47.4 AAE
MAHATHIR-RMN
BM

LUMUT, NOV. 20 (BERNAMA) -- THE GOVERNMENT IS CONSIDERING PRIVATIZING PART OF THE NAVAL DOCKYARD AND SHIP REPAIR OPERATIONS AT THE ROYAL MALAYSIAN NAVY (RMN) BASE HERE.

PRIME MINISTER (DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY AN IN-DEPTH STUDY WOULD HAVE TO BE CARRIED OUT FIRST TO ENSURE SUCH A MOVE WOULD BENEFIT THE PRIVATE COMPANY INVOLVED AS WELL AS NOT RESULT IN A LOSS FOR THE GOVERNMENT.

+THE GOVERNMENT HAS NOT MADE AN OFFICIAL DECISION ON WHETHER THE DOCKYARD WILL BE ADMINISTERED AS A DEPARTMENT UNDER THE RMN OR WHETHER IT WOULD BE PRIVATIZED.

+IT MAY HAVE TO LOOK FOR A PRIVATE SECTOR COMPANY TO AT LEAST TAKE OVER PART OF THE OPERATIONS AT THE DOCKYARD, HE TOLD REPORTERS. BEFORE ENDING HIS FIVE-HOUR VISIT TO THE BASE.

DATUK SERI DR MAHATHIR WHO IS ALSO DEFENCE MINISTER SAID THE GOVERNMENT HOPED, THROUGH THE PRIVATIZATION MOVE, TO RECOUP AT LEAST HALF OF THE \$1.2 BILLION EXPENDED ON THE RMN PROJECT HERE.

HE SAID THE GOVERNMENT DID NOT EXPECT ALL THE FACILITIES PROVIDED HERE TO BRING IT PROFITS.

+WE REALIZE THAT IN DEFENCE SPENDING, WE CANNOT HOPE TO BE FULLY REIMBURSED FOR THE LARGE AMOUNT OF FUNDS EXPENDED BECAUSE A LARGE PART OF THE SPENDING CONSTITUTED A NO-RETURN INVESTMENT.

HE SAID THE PROPOSED PRIVATIZATION WOULD MEAN TWO ARMED FORCES PROJECTS HAD BEEN PROPOSED FOR PRIVATIZATION. THERE HAD EARLIER BEEN AN ANNOUNCEMENT OF PRIVATIZATION OF THE AIROD (AIRCRAFT REPAIR AND OVERHAUL DEPOT) FACILITY AT SUBANG NEAR KUALA LUMPUR FROM JAN. 2.

THXS IS THE PRIME MINISTER'S SECOND VISIT TO THE RMN BASE HERE, THE FIRST BEING IN DECEMBER 1981.

HE WAS PROUD THAT THE BASE HAD UNDERGONE SUCH A RAPID CHANGE WITH PROVISION OF VARIOUS EQUIPMENT AND COMPLETION OF BUILDINGS WITHIN THE THREE-YEAR PERIOD.

HE SAID THE MAJOR PART OF THE PROJECT HAD BEEN COMPLETED AND ONLY COMPLETION OF INSTALLATION OF TRAINING FACILITIES HAS PENDING BEFORE THE PROJECT WAS TURNED OVER TO THE RMN.

HE WAS PROUD THE PROJECT WAS THE MOST MODERN AND COMPLETE OF ITS KIND IN SOUTH EAST ASIA BUT CAUTIONED THAT EFFORTS MUST BE MADE TO ENSURE THE FACILITIES WERE FULLY UTILIZED.

+MORE NEED TO BE DONE INCLUDING GETTING THE SKILLED MANPOWER ABLE TO USE ALL THE EQUIPMENT, FOR EXAMPLE, THOSE AVAILABLE AT THE SHIPREPAIR DEPOT WHICH IS FITTED WITH ALL KINDS OF MODERN DEVICES, HE ADDED. --BERNAMA

18/NOV 20 11 24