

PM DENIES SAGA CLAIMS

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'Selection of dealers in line with the NEP'

KUALA LUMPUR, Wed. — Datuk Seri Dr Mahathir Mohamad warned certain quarters today against making further allegations that the Government was not adhering to the New Economic Policy (NEP) "just because some bumiputras are not appointed dealers of the Proton Saga."

The Prime Minister said that in the selection process, priority would be given to bu-

miputra companies in line with the NEP and the guidelines set the Trade and Industry Ministry.

He said that many bumiputra companies were interested in distributing the car but

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not all could be appointed.

He also dismissed allegations that Edaran Otomobil Nasional — distributors of the Saga — was controlled by "rich towkays."

Dr Mahathir was replying to

Haji Wan Mohamaed Najib Wan Mohamed, the Barisan Nasional MP for Pasir Puteh, in Parliament this afternoon.

He said that in selecting dealers for the Saga, Edaran would uphold the principles of the NEP but "it will not be able to

fulfil the needs of every bumiputra who intends to benefit from the Malaysian car industry."

"It should be remembered that the number of bumiputras interested in distributing the national car is very large and it is not possible for every one of them to be-

come dealers even though we practise more than what the NEP requires," he said.

Dr Mahathir also pointed out that the largest single bloc of shares in Edaran, 45 per cent, was held by the Heavy Industries Corporation (Hicom) which is manufacturing the car.

He said others owning equity in Edaran were United Motor Works subsidiary Perusahaan Sepadu Sdn Bhd (35 per cent), United Assembly Services (15 per cent) and Edaran Perkemas Bhd (five per cent).

United Assembly Services was a wholly-owned bumiputra company while Edaran Perkemas was set up by the Bumiputra Car Dealers Association, he added.

He said that once Edaran started making profits, Hicom would transfer its shares to Amanah Saham Nasional like other government agencies.

Dr Mahathir said that although Edaran would be the sole distributor of the Saga, it did not mean that Edaran would sell the cars all by itself.

He said apart from Edaran's branches, the company would appoint certain companies as sales representatives throughout the country.

Dr Mahathir also said that the Saga would be officially launched on Sept. 1, instead of July 1, and would go on display.

He added that those who made early bookings with Edaran might have an opportunity to test-drive the car on that day.

Replying to a supplementary question by Haji Wan Mohamed, Dr Mahathir said that the Government intended to help distributors to ensure the success of the Malaysian car.

He said that the Government would "have to do something" should a situation arise where distributors of foreign cars in the country reduced prices to compete with the Saga.

Dr Mahathir stressed, however, that as far as possible, the Government did not wish to impose di-