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UMNO-KOON SWAN  
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KUALA LUMPUR, AUG 28 (BERNAMA) -- UMNO ACCEPTS THAT ENCIK TAN KOON SWAN, WHO HAS TENDERED HIS RESIGNATION AS MCA PRESIDENT FOLLOWING HIS IMPRISONMENT FOR ABETTING CRIMINAL BREACH OF TRUST IN SINGAPORE, IS STILL A MEMBER OF PARLIAMENT IN THE EYES OF MALAYSIAN LAW, UMNO PRESIDENT DATUK SERI DR MAHATHIR MOHAMAD SAID THIS MORNING.

HOWEVER, IT WAS UP TO MCA TO DECIDE ON ENCIK TAN'S POSITION AS AN MP, HE TOLD REPORTERS AFTER CHAIRING THE FIRST POST-GENERAL ELECTION UMNO SUPREME COUNCIL MEETING AT +SRI PERDANA+ HERE.

THE PRIME MINISTER SAID HE COULD NOT FORCE ENCIK TAN TO VACATE HIS DEWAN RAKYAT SEAT, BUT +I CAN REFRAIN FROM APPOINTING HIM A MINISTER+, REFERRING TO THE CABINET POST HE HAS +RESERVED+ FOR AN MCA REPRESENTATIVE.

HE SAID IT WAS NOW UP TO MCA TO DECIDE WHICH OF ITS OTHER MPS TO NOMINATE FOR THE PORTFOLIO.

WHEN HE ANNOUNCED THE GOVERNMENT LINE-UP ON AUG 11, DATUK SERI DR MAHATHIR HAD SAID THE HOUSING AND LOCAL GOVERNMENT MINISTRY WOULD BE HEADED TEMPORARILY BY DEPUTY PRIME MINISTER GHAFAR BABA.

MCA VICE-PRESIDENT DATUK CHAN SIANG SUN HELD THE POST PRIOR TO THE AUG 2-3 GENERAL ELECTION. DATUK CHAN IS NOW HEALTH MINISTER. -- MORE

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ASKED WHETHER HE HAD BEEN OFFICIALLY INFORMED ABOUT ENCIK TAN'S RESIGNATION AS MCA CHIEF, DATUK SERI DR MAHATHIR ANSWERED +NO+, SAYING HE HEARD THE NEWS FROM +OTHER SOURCES+ LAST NIGHT.

HE ALSO SAID IT WAS THE MCA'S PREROGATIVE TO APPOINT AN ACTING PRESIDENT, WHEN ASKED WHO HE THOUGHT WAS LIKELY TO SUCCEED ENCIK TAN.

ENCIK TAN, WHO WAS ELECTED MCA PRESIDENT LAST NOVEMBER AND WON THE GOPENG PARLIAMENTARY SEAT EARLY THIS MONTH, WAS JAILED FOR TWO YEARS AND FINED S\$500,000 IN DEFAULT SIX MONTHS' JAIL BY THE SINGAPORE HIGH COURT AFTER PLEADING GUILTY TO ABETMENT OF CRIMINAL BREACH OF TRUST RELATING TO THE PAN-ELECTRIC INDUSTRIES COLLAPSE.

ON THE PARTI BERSATU SABAH'S CALL FOR A REFERENDUM ON WHETHER LABUAN SHOULD REMAIN A FEDERAL TERRITORY OR REVERT TO SABAH, DATUK SERI DR MAHATHIR SAID THE MATTER WAS CLOSED AS FAR AS UMNO WAS CONCERNED.

SEVERAL SUPREME COUNCIL MEMBERS SAID THE UMNO STAND WAS A CLEAR SIGNAL TO PBS THAT ITS MOVE ON LABUAN'S STATUS WOULD NOT BE ENTERTAINED. -- BERNAMA

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