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KUALA LUMPUR, APRIL 24 (BERNAMA) -- THE COUNTRY HAS BEGUN TO SEE POSITIVE EFFECTS FROM THE PRIVATISATION MOVE AND TRIMMING OF THE CIVIL SERVICE, PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY.

DATUK SERI DR MAHATHIR, WHO IS UMNO PRESIDENT, SAID THE NATIONAL RESERVES HAD ALSO DOUBLED COMPARED WITH THE SITUATION THREE YEARS AGO.

THE EXPENDITURE FOR DEVELOPMENT UNDER THE FIFTH MALAYSIA PLAN HAD BEEN INCREASED FROM \$37 BILLION TO \$48 BILLION, HE SAID WHEN OPENING THE UMNO GENERAL ASSEMBLY HERE TODAY.

IN ADDITION, THE COUNTRY HAD SAVED \$2 BILLION IN COMPENSATION AS PROJECTS FOR WHICH AGREEMENTS HAD BEEN SIGNED NEED NOT BE CALLED OFF, HE SAID. -- MORE  
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THE PRIME MINISTER IN HIS SPEECH ALSO EXPLAINED THE REASONS FOR THE GOVERNMENT'S MOVE TO PRIVATISE CERTAIN SERVICES.

HE SAID THAT EVEN THOUGH A CERTAIN SERVICE WAS PRIVATISED, THE SUBSIDY ELEMENT HAD TO BE MAINTAINED AS THE PRIVATE SECTOR MIGHT NOT BE ABLE TO MEET ALL COSTS FROM THEIR COLLECTION OF PAYMENTS.

BECAUSE OF THIS, HE SAID, THE GOVERNMENT WAS PREPARED TO PRIVATISE THE ENTIRE RAILWAY SYSTEM FOR A TOKEN PAYMENT OF \$1. --  
BERNAMA

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