

ALL WILL BENEFIT SAYS PM

KUALA LUMPUR, Thurs.
— **Datuk Seri Dr Mahathir Mohamad** said today privatisation does not mean that the Government will be absolved of its social responsibilities.

The Prime Minister said the Government would still maintain its role as the guardian of public welfare.

"This will be done through minimal regulatory measures rather than through direct participation in the production of goods and services," he said at the opening of a conference on privatisation in Malaysia.

The Government would remain

accountable to the public and must be responsible for ensuring that privatisation would be beneficial to all concerned.

He said that the Government truly believed that privatisation would on the whole be beneficial to the nation and hence it was fully committed to it.

"The Government's policy is that those government employees involved in the privatised service should not lose any benefit that they have a right to expect in the government service," he said.

Dr Mahathir urged the private sector such as merchant banks and business consultants to study very carefully the ability of the companies taking over government services or enterprises.

"The Government cannot afford to have too many failures in the privatised companies and the Government does not want to be forced to take them back," he added.

He said that to determine whether privatisation would be beneficial or not would be the honesty, the skill and the diligence of managers and workers.

Ideally, privatisation should result in improved income for everyone and no one should lose, he said and added that it depended much on the efficiency of the private sector or in other words it must lead to greater productivity.

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"The Government feels that the private sector has come a long way since independence and they are now bigger, better organised and sophisticated enough to run huge and complex public services," he said.

He said the early fears that bumiputras would be completely left out if there were no government bumiputra-interest institutions to take up their shares had diminished somewhat.

Dr Mahathir said there were now a fair number of bumiputras capable of participation in the privatised services.

Where they were not adequate, the Government still had institutions like the Permodalan Nasional Bhd (PNB), Perbadanan Nasional Bhd (Pernas) and Lembaga Urusan dan Tabung Haji which could take up shares due to the bumiputras.

He also said if the Government happened to award an enterprise to companies that were partly owned by foreigners, it was not because the Government was not patriotic or was un-Malaysian but the Government wanted to save the nation from disastrous mistakes.

"But that does not mean that locals cannot on their own succeed in taking over the services we wish to privatise," he added.

The two-day seminar is organised by the Association of Merchant Banks in Malaysia. — Bernama.