

# PNB's 'early warning system'

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KUALA LUMPUR, Sat. — Permodalan Nasional Berhad (PNB) has successfully set up an "early warning system" to keep tabs on the operations of government-owned companies, Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight.

"Today, the Finance Ministry can follow all developments in government-owned companies through the Central Information Co-ordination Unit (CICU) and can take immediate measures.

"The efficiency of the PNB in ensuring the success of the New Economic Policy has spurred the Government to use its facilities," Dr Mahathir said at a dinner to mark the 10th anniversary of the inception of PNB at Hotel Shangri-La here.

He said there were 900 companies owned by the Federal and State Governments and it was difficult for the Government to keep track of the operations of each firm.

He said the Government had asked PNB to review its computer operations and with the co-operation of Nomura Securities, had successfully provided an "ear-

ly warning system" on the performance of each company.

In the past, he said, the Government was only aware of the existence of certain firms when something undesirable happened.

Dr Mahathir said PNB had become the largest agency in Malaysia and, possibly, in the world, taking into consideration its 2.3 million investors.

Through PNB, one of the country's primary instruments to ensure the success of the NEP, bumiputras now owned shares in multi-national firms such as Sime Darby, Harrison & Crossfield, Malaysian Mining Corporation, which was known as London Tin and many other firms, he said.

They were also given opportunities to join the management ranks of these firms.

Even then, he said, what was vital was not share ownership or lucrative salaries as managers but experience and expertise in management until self-owned firms can compete successfully.

The Prime Minister, however, expressed regret that there were successful firms

which had been taken over and, under bumiputra management, had experienced deteriorating performances to the point of ruin.

He said that some bumiputras had also been irresponsible after they had been given the opportunities.

These elements negated the Government's plan to restructure society and it had no sympathy for those who wasted the country's efforts to upgrade the standard of living of the bumiputras.

The Prime Minister said he found that bumiputras, as individuals, were still not ready to enter the realm of big business and compete with others and, as such, they should strive harder to become honest and efficient managers.

PNB chairman Tun Ismail Ali said PNB's group investment stood at more than \$6,000 million in 153 companies as at March 31 this year.

The shares of 94 of these companies were quoted on the stock exchange and the group's current investment had increased from a total of \$51 million in 21 companies at December 1978.