

Bumiputera stake: Individuals hold 13pc

KUALA LUMPUR, Sat. The stake of individual Bumiputeras in the corporate sector has increased to 13 per cent compared with the 6.4 per cent held by trust agencies. Datuk Seri Dr. Mahathir Mohamad said today.

The Prime Minister said since the beginning of 1985, the contributions of individual Bumiputeras in the sector had exceeded that of fully-owned Government trust agencies.

A big portion of individual Bumiputera stakes, he added, was through investment funds like the Amanah Saham Nasional (ASN) scheme, Tabung Haji and the Armed Forces Fund while the share held by private and public companies drawing direct investments from individual Bumiputeras was still very small.

Dr Mahathir was speaking at the launching of the Amanah Saham Bumiputera (ASB) scheme at the Putra World Trade Centre here.

He said although efforts

to restructure society had been actively carried out, the 30 per cent target for Bumiputera participation in the corporate sector would not be achieved by next year.

Dr Mahathir said of the \$98 billion worth of shares at par value of limited companies as at the end of last year, Bumiputera involvement was only \$19 billion or 19.4 per cent, compared with the 56 per cent held by other Malaysians and the 24.6 per cent by foreigners.

He said as the challenges and structural changes in the '90s would be greater than ever before, the Bumiputera community should, therefore, be serious and sincere in their participation in the corporate sector.

"The practice of merely being a front to companies is meaningless and should be replaced with a determined participation through individual capital investment and daily management."

Dr Mahathir wants Bumiputeras to discard their "make quick profits" ten-

dency. Instead, they should be willing to take risks and become seasoned businessmen.

He said unless this attitude was changed, no amount of training, experience and capital would help. Even the New Economic Policy would remain ineffective.

Said the Prime Minister: "Licences can be obtained with the help of the Government. But just as the Malay reserve and native land system does not guarantee the economic position of Bumiputeras, the dependence on the Government as an all-time protector of Bumiputeras will neither strengthen the Bumiputera economy nor balance their performance with that of the non-Bumiputeras."

Dr Mahathir said while the Government had provided the tools and machinery to make the NEP a success and had provided the capital to expedite Bumiputera ownership of economic revenue, what would make a "meaningful suc-

cess" of the NEP and social justice was the attitude of Bumiputeras to emerge from merely becoming fronts to companies.

On Permodalan Nasional Berhad, set up in 1978 as an investment institution to channel individual Bumiputera shares in the corporate sector, he said although the PNB was able to control the weakness of Bumiputeras, which had led them to only want to make short-term gains, it could not make Bumiputeras any more capable in business.

He said they would continue to be weak and the true objectives of the NEP would not be fully realised.

"The Bumiputera community must be brave in accepting a more challenging environment and in understanding the risks of our modern national economy after 1990."

Dr Mahathir said the Bumiputera community still had limited economic resources and could not yet entirely depend on Bumiputera entrepreneurs to have a comprehensive par-

ticipation in the national economy.

The mobilisation of individual Bumiputera savings through trust funds should be increased, he added.

Dr Mahathir said PNB, through ASN, had succeeded in amassing Bumiputera capital totalling \$6 billion.

"What is more meaningful is that a large proportion of the amount belongs to Bumiputeras in the lower-income group, including those from the rural areas."

He said the ASN scheme was successful, as evidenced in its payment of more than \$2.46 billion to its members within eight years.

"I am proud that the scheme has become the tool to distribute part of the economic wealth of the nation to Bumiputeras at all levels of the community."

Also present at the launching ceremony were Cabinet Ministers, Chief Ministers and Menteri Besar, senior Government officials and key members of the corporate sector.