

D781

U E401 AAE  
MAHATHIR-RAILWAY  
BM

KUALA LUMPUR, AUG 28<sup>90</sup> (BERNAMA) -- PRIVATISATION OF THE MALAYAN RAILWAY WILL BE BASED ON ITS PROFIT EARNING POTENTIAL AND NOT ITS NETT ASSET VALUE, PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD SAID TODAY.

THIS WAY WOULD ENSURE ITS PROFITABILITY AFTER PRIVATISATION, HE SAID.

THE GOVERNMENT DID NOT WANT MALAYAN RAILWAY TO BE OVERBURDENED WITH PRESSURES OF LARGE ASSETS, HE SAID.

+ THE TELECOMS DEPARTMENT WAS PRIVATISED TO SYARIKAT TELEKOM MALAYSIA (STM) USING THE SAME METHOD, + HE SAID WHEN OPENING THE FOURTH TRIENNIAL GENERAL MEETING OF THE RAILWAYMEN UNION OF MALAYA (RUM) HERE.

+WHEN WE PRIVATISE A GOVERNMENT AGENCY, WE DO NOT VALUE IT ACCORDING TO ITS ASSETS+, HE SAID.

+THAT IS WHY WE ASSESS THE AGENCY'S VALUE IN RELATION TO ITS PROFIT EARNING POTENTIAL... LET US SAY IT CAN MAKE A \$100 MILLION PROFIT AND MULTIPLY 10 OR 20 TIMES ITS MULTIPLE, WE HAVE A REASONABLE PROFIT EARNING POTENTIAL BUT THIS DOES NOT REPRESENT ITS NETT ASSET VALUE, + SAID THE PRIME MINISTER. -- MORE

1458MST 28 08 90

D789

U E410 AAE  
MAHATHIR-RAILWAY 2 KUALA LUMPUR

ACCORDING TO THE PRIME MINISTER THE SAME METHOD WAS APPLIED WHEN BRITISH AIRWAYS, THE BRITISH AIRPORT AUTHORITIES AND NATIONAL ELECTRICITY BOARD WERE PRIVATISED.

THE EMPHASIS WAS ON VALUE ASSESSMENT RELATED TO PROFIT EARNING POTENTIAL AS A GUARANTEE TO PROFITABILITY, HE SAID.

DATUK SERI DR MAHATHIR SAID FOR EXAMPLE, LAND AND OTHER ASSETS OF THE TELECOMS DEPARTMENT WOULD BE WORTH MORE THAN \$10 BILLION ON PRIVATISATION.

+IF WE TAKE THIS ASSET VALUE AS CAPITAL, THAT IS \$10 BILLION, STM MAY NOT BE ABLE TO ATTAIN PROFITABILITY,+ HE SAID.

HE REMINDED MALAYAN RAILWAY WORKERS THAT THEY STOOD TO GAIN FROM ITS PRIVATISATION ESPECIALLY FROM PROGRAMMES ALREADY DRAWN UP BY THE GENERAL MANAGER.

+THE GOVERNMENT WILL NOT ALLOW ANY ACTION THAT WILL PUT THE WORKERS AT A DISADVANTAGE,+ HE SAID.

THE GOVERNMENT WOULD ADOPT REMEDIAL MEASURES IF PRIVATISATION OF MALAYAN RAILWAY BRINGS ADVERSE EFFECTS, HE SAID. -- MORE

1520MST 28 08 90

D805

U E422 AAE  
ATTENTION EDITORS: CORRECTION R'R'R  
IN ITEM E418, MAHATHIR-RAILWAY 3, PLEASE READ IN LAST PARA....  
NO REASON WHY...

MAHATHIR-RAILWAY 3 KUALA LUMPUR

THE PRIME MINISTER WAS CONFIDENT THAT A PRIVATISED MALAYAN RAILWAY WOULD IMPROVE NATIONAL RAILROAD SERVICE INTO A POPULAR AND PROFITABLE CARRIER.

HE SAID WHETHER MALAYAN RAILWAY WORKERS WOULD BENEFIT MUCH FROM ITS PRIVATISATION WOULD DEPEND ON THEIR PRODUCTIVITY AND PROGRESSIVE OUTLOOK.

AS RAILWAY NO LONGER MONOPOLISED PUBLIC TRANSPORTATION BECAUSE THE PEOPLE COULD NOW TRAVEL BY CAR OR AIR, THE RAILROAD SERVICE MUST COMPETE WITH THE EXISTING SYSTEM, HE SAID.

+AT A TIME WHEN OTHER MODES OF TRANSPORTATION HAVE IMPROVED DRASTICALLY, THERE IS NO REASON WHY THE RAILWAY CANNOT MAINTAIN ITS POPULARITY AS IN THE PAST,+ HE SAID.

+IF MALAYSIA AIRLINES' CABIN CREW SERVICE IS WORLD RENOWNED, THERE IS NO REASON WHY MALAYAN RAILWAY CANNOT BE AS GOOD AS IF NOT BETTER THAN MAS,+ HE SAID.-- MORE

1551MST 28 08 90

D812

U E426 AAE  
MAHATHIR-RAILWAY 4 KUALA LUMPUR

THE PRIME MINISTER SAID MALAYAN RAILWAY'S SERVICE COULD BE AS GOOD AS MAS' IF ITS WORKERS WERE TRAINED TO PROVIDE EXCELLENT TREATMENT.

HE SAID IF THAT COULD BE DONE, TRAVELLERS MIGHT SHIFT PREFERENCE TO TRAINS.

+TRAIN TRAVEL HAS A BRIGHT FUTURE BUT THIS DEPENDS ON WHETHER WE (MALAYAN RAILWAY STAFF) HAVE THE RIGHT PERSPECTIVE IN RUNNING A NATIONAL TRAIN SERVICE,+ HE SAID.

DATUK SERI DR MAHATHIR WAS CONFIDENT THAT THE RUM'S COOPERATIVE RATHER THAN CONFRONTATIONAL ATTITUDE TOWARDS WORKER-EMPLOYER RELATIONS WOULD GO A LONG WAY TO IMPROVE MALAYAN RAILWAY'S SERVICE.

THE PRIME MINISTER HOPED THAT THE RUM TRIENNIAL GENERAL MEETING WOULD DISCUSS PRIVATISATION OF THE MALAYAN RAILWAY WITH OPEN MINDS.

AS FOR THE GOVERNMENT, HE SAID, IT HAD NO INTENTION OF VICTIMISING ANY SECTOR WHEN PRIVATISING ITS AGENCIES.-- BERNAMA  
1605MST 28 08 90