

D956

R E917 AAE
ATTN EDITORS: REPLACES EARLIER ITEM
MAHATHIR-ELECTRICITY
BM

KUALA LUMPUR, SEPT 1 (BERNAMA) -- PRIME MINISTER DATUK SERI DR MAHATHIR MOHAMAD TODAY LAUNCHED TENAGA NASIONAL BERHAD, THE CORPORATISED NATIONAL ELECTRICITY BOARD, AND GAVE THE ASSURANCE THAT THE STAFF SALARIES AND ALLOWANCES OF GOVERNMENTS DEPARTMENTS WOULD NOT BE REDUCED UPON THEIR PRIVATISATION.

BUT THIS DID NOT MEAN THE SALARIES AND ALLOWANCES SHOULD BE RAISED VERY HIGH WITH THE INTENTION OF MAKING THEM UNIFORM WITH THE PAY SCHEMES IN THE PRIVATE SECTOR, HE SAID.

HE SAID THIS PRACTICE HAD RESULTED IN LOSSES FOR THOSE GOVERNMENT COMPANIES WHICH HAD BEEN ALLOWED TO DISENGAGE THEMSELVES FROM SET SALARY SCHEMES AND REGULATIONS.

THE PRIME MINISTER ALSO ANNOUNCED THE APPOINTMENT OF DATUK ANI AROPE AS CHAIRMAN OF TENAGA NASIONAL AND DATUK IBAK ABU HUSSIN AS THE CHIEF EXECUTIVE. THE OTHER MEMBERS OF THE BOARD WILL BE APPOINTED LATER.

EMPHASISING THAT THE PRIMARY OBJECTIVE OF PRIVATISATION WAS TO STEP UP PRODUCTIVITY, DATUK SERI DR MAHATHIR SAID IT WOULD ONLY BE RIGHT FOR SALARIES TO BE RAISED IF THERE WAS HIGHER PRODUCTIVITY WHICH WOULD ULTIMATELY INCREASE A COMPANY'S INCOME. -- MORE
1240MST 01 09 90

D959

R E918 AAE
MAHATHIR-ELECTRICITY 2 KUALA LUMPUR

+THEREFORE, A CORPORATE ORGANISATION NOT ONLY NEEDS AN EFFICIENT MANAGEMENT BUT ALSO DEDICATED EMPLOYEES WHO ARE PREPARED TO STEP UP PRODUCTIVITY,+ HE SAID.

DATUK SERI DR MAHATHIR SAID THE SALARIES AND ALLOWANCES OF A PRIVATISED ORGANISATION MUST TAKE INTO CONSIDERATION MANAGEMENT COSTS AND FUTURE INVESTMENTS.

+A COMPANY MAY MAKE PROFITS TODAY BUT THEN A PORTION OF THE PROFITS MUST BE KEPT AS SAVINGS AND ANOTHER PORTION AS FUTURE INVESTMENTS.

+IN SHORT, WE WANT A PRIVATISED BODY TO OPERATE AS A COMMERCIAL ORGANISATION NOT ONLY IN THE AREA OF SALARIES AND ALLOWANCES BUT ALSO IN ALL PROFITABLE COMMERCIAL ASPECTS.

+IT WILL BE MOST EMBARRASSING FOR A PRIVATISED BODY TO ULTIMATELY FAIL AND ASK TO BE TAKEN OVER BY THE GOVERNMENT OR SEEK GOVERNMENT ASSISTANCE,+ THE PRIME MINISTER SAID. -- MORE
1248MST 01 09 90

D963

R E919 AAE
MAHATHIR-ELECTRICITY 3 KUALA LUMPUR

HE OUTLINED HOW PRIVATISATION BENEFITED WORKERS, THE ORGANISATION, THE GOVERNMENT, CONSUMERS AND THE COUNTRY.

THE WORKERS, APART FROM GETTING SATISFACTORY SALARIES AND ALLOWANCES, COULD BUY FIVE PER CENT OR UP TO \$5 MILLION WORTH OF SHARES, AND COULD EXPECT A BONUS WHENEVER THE PROFITS ALLOWED FOR IT.

+FOR ORGANISATIONS WITH A LARGE CAPITAL, THE FIVE-MILLION SHARES LIMIT IS EXEMPTED AND THEY CAN ALLOCATE FIVE PER CENT OF THE SHARES FOR THEIR WORKERS,+ HE SAID.

THE PRIVATISATION OF DEPARTMENTS SUCH AS THE NEB COULD REDUCE THE FINANCIAL BURDEN ON THE GOVERNMENT IN PROVIDING VARIOUS PUBLIC AMENITIES AND MAINTAINING THEM, HE ADDED.

THE LISTING OF THE PRIVATISED BODIES ON THE KUALA LUMPUR STOCK EXCHANGE WOULD EARN THE GOVERNMENT INCOME WHICH COULD BE USED TO PROVIDE OTHER INFRASTRUCTURE FACILITIES, HE SAID. -- MORE
1308MST 01 09 90

DATUK SERI DR MAHATHIR SAID HE WAS CONVINCED THE EMPLOYEES OF TENAGA NASIONAL, AS STAFF OF A LARGE, PRIVATISED AGENCY, WOULD NOT DISAPPOINT CONSUMERS AND THE COUNTRY.

HE SAID CONSUMERS WOULD LOOK FORWARD TO AN ENHANCED STANDARD OF SERVICE AND THE TARIFF RATES TO BE AT REASONABLE LEVELS. TENAGA NASIONAL SHOULD ENSURE THAT THE TARIFFS IMPOSED ON CONSUMERS DID NOT BURDEN THEM, WHILE THEY HELPED TO MOTIVATE NATIONAL DEVELOPMENT, HE ADDED.

HE SAID INTENSIVE INDUSTRIALISATION AND ECONOMIC PROGRESS RESULTED IN HEAVY DEMAND FOR ELECTRIC POWER, AND THIS WAS ONE OF THE CHALLENGES THAT TENAGA NASIONAL HAD TO MEET.

DATUK SERI DR MAHATHIR SAID HE ANTICIPATED THAT TENAGA NASIONAL WOULD MAKE INVESTMENTS OF ABOUT \$20 BILLION UP TO THE YEAR 2000 TO MEET THE INCREASE IN DEMAND.

HE ADVISED TENAGA NASIONAL TO BE PREPARED TO FACE AN INCREASE IN OIL PRICES AS A RESULT OF THE GULF CRISIS, AND SUGGESTED THAT IT SEEK WAYS TO OVERCOME ANY PROBLEM. -- MORE

1326MST 01 09 90

D969

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MAHATHIR-ELECTRICITY 5 KUALA LUMPUR

THE PRIME MINISTER SAID THAT THOUGH TENAGA NASIONAL HAD TAKEN OVER FROM THE NEB, THE GOVERNMENT WOULD CONTINUE TO ENSURE THAT THE ELECTRICITY SUPPLY INDUSTRY MAINTAINED ITS STANDARD AND THAT TARIFFS IMPOSED ON CONSUMERS WERE REASONABLE.

IT WAS FOR THIS REASON THAT THE GOVERNMENT HAD SET UP THE ELECTRICITY SUPPLY DEPARTMENT TO SERVE A SUPERVISORY ROLE IN THE ELECTRICITY SUPPLY INDUSTRY, HE ADDED.

DATUK SERI DR MAHATHIR ALSO LAUNCHED THE LOGO OF TENAGA NASIONAL, WHICH RESEMBLES A LIGHT BULB SHAPED LIKE THE LETTER +T+ WITH A FLASH WITHIN.

THE SLOGAN OF TENAGA NASIONAL IS +POWERING THE NATION'S PROGRESS+.

A SLIDE PRESENTATION OF THE HISTORY OF ELECTRICITY SUPPLY IN THE COUNTRY WAS HELD AT THE FUNCTION.

WHEN THE DEADLINE FOR RETURNING OPTION PAPERS WAS REACHED YESTERDAY, ABOUT 96 PER CENT OF NEB STAFF HAD AGREED TO JOIN TENAGA NASIONAL. -- BERNAMA

1341MST 01 09 90