

'Privatization will create opportunities for public'

By OUR REPORTER

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ENCOURAGED by public response to the listing of shares in privatized companies, the Government has reiterated its commitment to further reduce the public sector role in the economy by privatizing projects and services that can be better managed by the private sector.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the public response indicates general acceptance of the wisdom of the Government's policy.

Besides enhancing the public sector role in the economy, he said, privatization will at the same time create new opportunities for the public, particularly employees of the privatized projects and the Bumiputera community, to own wealth through the purchase of shares in these projects.

In his forward published in the Privatization Master Plan made public yesterday by the Economic Planning Unit in the Prime Minis-

ter's Department, Datuk Seri Dr Mahathir said it is hoped that more people will be able to share the nation's wealth this way.

The (privatization) process, he said, is also expected to lead to the expansion of the capital market, thus increasing private sector contribution to economic growth.

"While the Government can, off and on, contribute to economic growth through an expansionary budget, this cannot be sustained. The economy will grind to a halt, or even go into reverse, if the Government keeps on injecting money which it does not have in order to help growth," he stressed.

The Prime Minister added that the Government has identified some of the privatization bottlenecks and taken the necessary remedial actions. For instance, several existing laws have been amended to allow for privatization of entities which by law are the preserve of the Government.

Apart from the legal aspects, the Government has also devised very clear principles and taken steps to streamline the administrative machinery and procedures.

The role of ministers in regulating economic activities which involve monopolies has also been defined to prevent possible abuses by privatized monopolies.

Describing the Master Plan Privatization study by the Government as another step in this direction, Datuk Seri Dr Mahathir said: "Where previously it was up to the interested parties to propose privatization of government services and corporations, now the Master Plan has identified the services and bodies that are open to privatization proposals by the private sector.

"This will enable interested parties to study and make offers which will be considered on the basis of comparative merit."