

PM: Privatisation success due to wide acceptance

By Azmi M. Anshar

KUALA LUMPUR Sat. — The success of Malaysia's privatisation programme is due to its wide acceptance by workers who overcame initial scepticism of the policy, Dr Mahathir Mohamad said today.

Citing Telekom Malaysia Bhd, the Prime Minister said the government no longer had to provide large allocations for the Telekom Department as privatisation

had reaped huge profits for the company.

In fact, it could afford to improve on wages paid to employees when they were still in public service.

In a lighter vein, he quipped: "Even the Telekom Malaysia Bhd chief (executive chairman Tan Sri Dr Rashdan Baba) is earning more than me. I think it is unfair because I have the bigger burden of responsibility."

The Prime Minister said

this when launching the new-look National Joint Councils (NJC), the government-worker consultation body, at Hotel Istana.

Dr Mahathir said Malaysia's privatisation success had also attracted the attention of Wall Street-based investment banker Salomon Brothers.

The said a Salomon Brothers privatisation expert had

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Moderation, compromise the key, says Dr M

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wanted to advise Malaysia on the benefits of privatisation in a bid to secure some business here.

"But after hearing my views on the concept and success of privatisation, the expert said: 'We better learn from you'," he said in his off-the-cuff speech that lasted almost an hour.

Even Namibia and Tunisia which he visited recently wanted to learn more of the Malaysian privatisation concept, he added.

Underpinning moderation and compromise as the vital reasons behind Malay-

sia's strong economy and political stability, Dr Mahathir said a combination of democracy, good administration, ideology and the free market system were also key elements.

He also recognised the moderate stance of trade unions as a vital factor towards Malaysia's economic success.

"But when we talk about our success, it does not mean that Malaysia is showing off as we have the right to take pride in our achievements," he added.

However, Dr Mahathir warned that success could turn to failure if politicians

constantly tussled for power or the people resorted to violence to uphold their ideology or religious beliefs.

"Stability and growth must be tempered with common sense, understanding the limits of democracy and accepting that in a dispute, there must be winners and losers," he said.

Reminding trade unions of the futility of industrial action to demand higher wages like some unions in Britain and the United States, he said the gains were inevitably wiped out by inflation.

Although he was not an

economist or a statistician, Dr Mahathir said he based his views on the "MacDonald's-hamburger" premise - a burger would cost between \$4 and \$10 in the UK but the same burger would only cost between \$1.50 and \$2 here.

"Workers in Europe may be earning wages 10 times more than Malaysians but their standard of living and purchasing power are no better than ours," he said.

In this respect, Dr Mahathir praised the patience of Cuepacs for its 1985 moratorium on wage hikes at the height of the recession,

In gratitude, the government repaid the gesture by implementing the New Remuneration System, although he was aware of the many objections to the new system.

However, even the Government was dissatisfied with some elements of the NRS but agreed to compromise because in a dispute it was impossible for everyone to be satisfied.

"But we believe trade unions have a place and that was why the NJC was formed to hear their views," he said to applause from unionists.

Also present were Chief Secretary to the Government Tan Sri Ahmad Sarii Abdul Hamid, Human Resources Minister Datuk Lim Ah Lek, Minister in the Prime Minister's Department Datuk Abang Abu Bakar Mustapha, Public Services Department director-general Tan Sri Mahmud Taib, Cuepacs president Mohamad Mat Jid, senior department heads and public sector trade unionists.

Dr Mahathir later presented letters of appointment to Mahmud and department heads as chairmen of the respective NJCs.