

# PRIVATISATION OK

## Discard outdated thinking, PM tells critics of govt policy

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**LUMUT:** Prime Minister Datuk Seri Dr Mahathir Mohamad defended the Government's decision to privatise major projects and criticised those who levelled accusations that such ventures were only given out to benefit the same group of people.

He said this kind of "out-dated thinking" should be discarded in the interest of the country's growth.

"Our privatisation projects benefit everybody ... the workers and the public, because most of these companies (awarded the projects) are public listed," he said when opening the Lumut Maritime Terminal (LMT) here.

The RM60 million LMT is a joint venture of the Perak SEDC, Ipco International Ltd and Halim Rasip Holdings Sdn Bhd.

Dr Mahathir also said that if projects were given to those who were unqualified and did not have sufficient capital, the projects would fail and everybody would lose.

"Despite the unjust accusations,

the fact remains that all privatised projects progress better than when the Government was the sole implementor."

He said several projects like roads were completed faster. Telecommunications subscribers had also increased from 800,000 to three million since privatisation.

"I hope (the people) are not influenced by the foreign media. In the western countries, corruption is worse than here ... Many of their ministers are corrupt, including their prime ministers," he added.

The Prime Minister also said the Government would continue to reg-

ulate private companies involved in privatisation projects to prevent them from becoming too competitive in a particular sector, leading to bankruptcy.

"Although competition is healthy to a certain extent, it can lead to non-beneficial investments and duplication of services.

"In this country, we have a common practice that if someone comes up with a good idea or a project, others will follow suit. That is why we now have eight telecommunications companies in Malaysia," he added.

Dr Mahathir said the Govern-

ment would not be directly involved in the operations of private companies but would only supervise them to prevent too many companies becoming involved in one industry.

"We will supervise in matters like issuing of licences. If we issue too many licences it will cause stiff competition. In order for companies to survive, they will offer prices that are lower than their competitors and incur losses.

"For example, when the US government de-regulated its airline industry, major airlines including Pan-Am went bankrupt," he said.