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GOVT HOSPITALS IN MAJOR CITIES TO BE CORPORATISED

KUALA LUMPUR, May 7 (Bernama) -- The Government will corporatise its hospitals located in major cities to increase the efficiency of services and to retain qualified and experienced manpower.

"It is only logical that we start with the big hospitals located in major cities and towns," Health Minister Datuk Chua Jui Meng told Bernama here.

He, however said, a study was being carried out by a local consultancy firm and the Economic Planning Unit (EPU), when asked when the corporatisation would take effect.

Under the Seventh Malaysia Plan (7MP), the health sector has been given an allocation of RM2.6 billion to expand its facilities and improve efficiency in the delivery of medical and healthcare.

Nonetheless, rising medical cost coupled with the difficulty faced by government hospitals to retain staff, be it doctors or nurses since the private hospitals pay more, had left the government little choice but to corporatise.

Yesterday, Prime Minister Datuk Seri Dr Mahathir Mohamad gave an assurance that the Government would continue to expand and upgrade health programmes and services to enable Malaysians to enjoy a better quality of life.

"The Government intends to privatise many of the health facilities, including hospitals and specialist units," the prime minister said.

Meanwhile, an EPU official said the corporatisation of government hospitals could be carried out within the next two years.

"It will involve the big hospitals in major cities such as in Pulau Pinang and Johor Baharu, and the management of the hospitals will be similar to that of Institut Jantung Negara (IJN)," he said.

The official said while the management of the hospitals would be by the private sector, the government would continue to own the hospitals. --

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