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Mahathir-Perwaja

PM SAYS PERWAJA NEEDS MORE THAN RM1 BILLION TO BE REVIVED

By: Mohd Arshi Daud

CUKAI, Dec 12 (Bernama) -- Equal Concept Sdn Bhd, the company appointed as interim manager to privatise and revive ailing Perwaja Steel Sdn Bhd, needs to invest more than RM1 billion to revive the steel-making company, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said the government was aware it would take a long time to revive Perwaja, which was saddled with accumulated losses of RM2.9 billion, but it was still keen to recoup the money invested in the project.

Dr Mahathir said the government had entered into the project as it was a difficult heavy industrial venture and too risky for the private sector since it needed a long period to achieve success.

Such a venture always faces problems and needs continuous investment and a long time to reap profits, he said when addressing Perwaja employees during a visit to the company's steel complex here.

Also present were Terengganu Menteri Besar Tan Sri Wan Mokhtar Ahmad and Maju Holdings Sdn Bhd executive chairman Abu Sahid Mohamed.

Maju Holdings holds 51 per cent equity in Equal Concept and Abu Sahid's brother Abu Talib is currently the chief executive officer of Perwaja Steel.

The Prime Minister said the government was still negotiating on Perwaja's rescue and privatisation package.

"We cannot but stress the importance of a steel industry as a yardstick of the developed status of a country.

"It reflects the ability of Bumiputeras in this particular sector," he said.

Like Telekom Malaysia and Malaysia Airlines, the government decided to privatise Perwaja as managing other people's assets was different from managing one's own assets.

Through privatisation, the private sector has to invest its own money, and if there are losses, it must incur its own losses, he said.

Expressing confidence that Perwaja could be revived with the support of its employees, the Prime Minister called on them to believe in themselves, in the company as well as in the government's policies.

"If we have the confidence, I feel we can revive this plant.

"If we cannot, then we will be embarrassed," he said.

Dr Mahathir said he cancelled another appointment to visit the complex today as "Perwaja was my idea, and if it fails, I would be embarrassed".

At this juncture, Dr Mahathir asked his audience whether they believed Perwaja could be revived and whether they could regain their pride.

The employees responded with resounding shouts of "we can...we can".

An unidentified Perwaja worker stood up and told the Prime Minister that on behalf of the workers, he believed that Perwaja could be revived.

He also said that Perwaja was not a "Malay dilemma" but an "unfinished struggle", in reference to a recent poem by the Prime Minister on the unfinished struggle of the Malays. -- BERNAMA

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