

01 JAN 1997

PM-Muhammad

ACA CAN STILL CALL MUHAMMAD IF IT WANTS TO, SAYS PM

KUALA TERENGGANU, Jan 1 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said tonight the Anti-Corruption Agency (ACA) can still call up Tan Sri Muhammad Muhammad Taib in connection with his arrest in Brisbane for allegedly failing to declare an equivalent of RM2.4 million in cash before leaving Australia on Dec 22.

The prime minister said the ACA could still do so if it felt that the Selangor Menteri Besar Selangor needed to be investigated regarding the case.

"That is the ACA's prerogative," he said at a news conference at the Terengganu Menteri Besar's residence, here. The prime minister is on a two-day private visit to the state.

Asked whether he was satisfied with Muhammad's explanation on the ownership of the money and his reason for having the money with him, the prime minister said: "I have no reason to reject his explanation. Muhammad has all the documents to support his explanation, including the lawyer's letter (relating to the purchase of property in Australia)."

Muhammad, who is facing trial for the currency offence in Australia in March, had given his explanation on the case to Dr Mahathir, the Sultan of Selangor and the public through the mass media.

Dr Mahathir, who is also Umno president, also said that he did not know why the Barisan Nasional election machinery did not go down to the field full-scale to help the BN candidate, Mohamed Yusoff Hamzah, in the Pulai Chondong state by-election in Kelantan on Jan 6.

"I have issued a directive to all the parties, including Umno members who were formerly with Parti Melayu Semangat 46, to give their cooperation to ensure Mohamed Yusoff's success," he said when asked about the apparent absence of BN leaders, especially from Kelantan, in campaigning for the BN since nomination day on Dec 26.

The reporters wanted to know why deputy Kelantan Umno liaison chairman Datuk Annuar Musa was reduced to being the "Lone Ranger" in the campaigning. Besides Annuar, the other local Kelantan leader seen working hard for the campaign was Entrepreneur Development Minister Datuk Mustapa Mohamad.

Dr Mahathir said the BN should not be over-confident of a victory in the by-election.

"It is not easy for us to win. As such, I want to remind all parties in the BN to concentrate all their energy on Pulai Chondong," he said.

On the restructuring of Perwaja, the prime minister said it was better to maintain the present equity format in the steel company, with Maju Holdings holding a 51 per cent stake.

"If there are no takers, the government will have to hold the remaining 49 per cent, but if other parties come forward, the government is prepared to apportion part of the equity it owns," he said.

He said that under the restructuring of Perwaja which had suffered losses totalling over RM2.8 billion, the losses would be treated as separate because the government wanted Perwaja to start on a clean slate.

This, he said, meant that all of Perwaja's previous losses were "taken over" by the government which would strive to recover the losses from other sources.

However, he said, the government's move to take over the losses did not mean that it would pump money into Perwaja under the new management.

"We are only taking over the losses," he said.

Dr Mahathir launched the Visit Terengganu Year 1997 at Stadium Sultan Ismail Nasiruddin Shah, here, before returning to Kuala Lumpur tonight.

Present were his wife, Datin Seri Dr Siti Hasmah Mohamad Ali and Menteri Besar Tan Sri Haji Wan Mokhtar Ahmad.

The colourful event filled with shows manifesting Terengganu's culture was attended by about 10,000 people. -- BERNAMA

AM JK