

10 MAR 1998

ANWAR TELLS BUMIPUTERA ENTREPRENEURS TO BE MORE PRACTICAL

SEPANG, March 10 (Bernama) -- Bumiputera entrepreneurs were today told to look at the practicality of maintaining their insistence on the previous policy regarding bumiputera equity ownership in companies when the economic environment and conditions called for some changes and adjustment.

"What needs to be done is that we have to view this very realistically and make the necessary adjustments," said Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim after chairing a meeting of the Cabinet Committee on the Development of KL International Airport (KLIA) here.

"If the bumiputeras have the capacity, they should be encouraged (to own stakes in companies), if they do not have the capacity, then they should accept the participation of the non-bumis," he said.

Anwar was asked to comment on the reported resistance by some Malay entrepreneurs over the government's change of policy which allows non-bumiputeras to buy stakes in bumiputera-owned companies.

On Feb 24, the Economic Adviser to the Government, Tun Daim Zainuddin, said that non-bumiputeras may be allowed to buy stakes in bumiputera-owned companies.

In confirming that decision the next day, Prime Minister Datuk Seri Dr Mahathir Mohamad said the government had to allow such acquisitions to help ailing bumiputera-owned companies.

"We need to realistically look at the practicality of insisting on the previous policy when the economic environment and conditions forced us to accept some changes and adjustments," said Anwar.

However, he said was not aware of any formal submission by bumiputera-owned companies requesting for such an arrangement.

"We don't identify them (the ailing bumiputera-owned companies). If they have a problem, they submit (their proposals) and we make the adjustments," he said.

Anwar reiterated that the government's commitment in terms of affirmative action like poverty eradication policy and social agenda for the bumiputeras would remain. -- Bernama.

AH MAM SHY