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Mahathir-Companies

PM DOES NOT WANT STATE GOVERNMENTS TO COMPETE WITH PRIVATE SECTOR

JOHOR BAHRU, April 19 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today reminded state government subsidiaries to ensure that their competition to implement development projects does not affect the interests of private companies, especially bumiputera firms.

He said the government's aim in setting up investment companies was to develop infrastructure projects that the private companies could not implement, not to compete with them for projects that they could handle.

"We feel that infrastructure development should be carried out by the private sector. If the private sector cannot do it then the government has to take over, he told a news conference after opening the Sultan Ismail International Airport new terminal in Senai, near here.

The prime minister, who was wrapping up his two-day visit to the state, was asked about Kumpulan Prasarana Rakyat Johor (KPRJ), which was set up by the state government in 1995 and is now responsible for implementing infrastructure development projects in the state.

The involvement of KPRJ in infrastructure projects in the state was said to have affected the chances of private companies to get contracts.

On the influx of Singaporeans to Johor, especially in the wake of the economic slowdown, Dr Mahathir said it clearly showed that Johor's economy was not affected as many Singaporeans were still shopping here.

"What we are worried about is that with more Singaporean buyers coming here, prices will escalate and Johoreans will have to pay more," he said.

He said Singapore also benefitted from being Johor's neighbour because many Johoreans worked in the republic and Singaporean companies invested in Johor.

He was also asked to comment on attempts by some parties to make it appear that the economic situation in the country was deteriorating and that it was only a matter of time before Malaysia sought the assistance of the International Monetary Fund (IMF).

He said this group actually wanted to see Malaysia asking for IMF aid so that it would have to bow to the IMF's conditions like opening the Malaysian market to the developed nations.

-- BERNAMA

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