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Support for proposal on shares in Bumi firms

KUALA LUMPUR, Wed. - The MCA today expressed confidence in the Government's proposal to allow non-Bumiputeras temporarily to acquire shares in Bumiputera companies.

Describing the proposal as a "sound" idea which was good for the country, MCA president Datuk Seri Dr Ling Liong Sik said it would enable Malaysian companies to remain in Malaysian hands.

"I think the whole essence of that thinking is that, let all our Malaysian treasures remain in Malaysian hands," Ling told reporters after attending a Chinese New Year luncheon for Cabinet members at the Legend Hotel here.

Prime Minister Datuk Seri Dr Mahathir Mohamad, commenting on this earlier, said that the proposal was for a temporary period.

Dr Ling who is also Transport Minister, said Malaysians should be willing to help their countrymen who needed assistance.

He added that shares were getting cheaper especially in the current economic situation.

Yesterday, the Economic Adviser to the Government, Tun Daim Zainuddin, said that non-Bumiputeras may be allowed to buy Bumiputera stakes in companies. Daim said that the change in policy would only apply to non-Bumiputera investors rather than foreigners.

MIC president Datuk Seri S Samy Vellu said any move by the Government to allow non-Bumiputeras to buy Bumiputera stakes in companies should be welcomed.

With the country currently facing economic problems, all Malaysians should pool their resources to safeguard the interests of all local companies.

"I am sure the Indian business community will sincerely play a part in helping their Bumiputera counterparts in this matter because it would not serve their interest to see the Bumiputera companies facing difficulties."

Allaying fears that such a move would cause apprehension among the Bumiputeras, Samy Vellu said the Government should leave it to the affected Bumiputera companies to decide whether opening up ownership to others was necessary.

Reacting to the proposal, Umno Youth, in a statement, said that it would seek further clarification on the matter from Daim.

Its chief, Datuk Ahmad Zahid Hamidi, while reaffirming the movement's confidence that the Government would not disregard special privileges accorded to Bumiputeras under the New Economic Policy, said efforts should first be made to allow more successful Bumiputera companies to take over those facing problems.

Ahmad Zahid said that ailing Bumiputera companies should only be made open to non-Bumiputera companies if other Bumiputera companies were unable to take over.

"But, by no means should foreigners be allowed to gain control of these companies, he said.

Ahmad Zahid also suggested that the National Economic Action Council, of which Daim is executive director, should study the matter and submit a report to the Cabinet which should ensure that the Malay Agenda was protected.

"Umno Youth is very confident of the Government's wisdom and its efforts to pull the country out of the current economic problems."

He said it was undeniable that the NEP, which was introduced in 1971, had benefited both Bumiputeras and non-Bumiputeras.

"However, we have to also acknowledge that our agenda to create as many successful Bumiputera entrepreneurs as possible has not been fully achieved."

DAP secretary-general Lim Kit Siang said the time had come for Malaysia to go beyond the "old Bumiputera and non-Bumiputera distinction" and recognise all Malaysians as the "new Bumiputeras who swim or sink in the same boat".

In the face of the current economic problems, Lim said the NEAC must be bolder in galvanising all Malaysians to respond as one to ensure the quickest possible economic turnaround with the minimum hardships and sufferings to the people.

Gerakan central committee member Dr S. Vijayarajnam said the Government should identify genuine rescuers who had the capability and know-how to run businesses.

"If there are capable Bumiputeras, they should also be given the chance," he said in a statement here.

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