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Mahathir-Attitude

STATUTORY BODY CEO'S TOLD TO ADOPT POSITIVE ATTITUDE

LANGKAWI, June 26 (Bernama) -- Datuk Seri Dr Mahathir Mohamad has told chief executive officers (CEOs) of statutory bodies to change their attitude in management so that they could bring profits to their organisations.

The Prime Minister said this could be done by learning from the good management methods that had been successfully adopted by the private sector.

The government now had to inject capital into statutory bodies every year following losses suffered by them, he said at the Malaysian Statutory Bodies Association dinner here tonight.

He said almost all statutory bodies suffered losses in business.

"This happened because the CEOs running the organisations were not interested in managing them properly. They were shackled by the attitude that they were already getting high salaries, and they also would not get any profit sharing like private company officers," he said.

Citing estate management as an example, he said a private company owning an estate would ensure it was run properly and made profits every year, apart from increasing its capital.

On the other hand, a statutory body managing an estate would frequently suffer losses to the extent of forcing the government to inject capital every year.

"The losses suffered burdened the government because they required capital injection, and the government also could not collect taxes from profits.

"The CEOs can become efficient managers if they strive to enhance their skills because if we don't try we will forever be inefficient," he said.

Dr Mahathir said it was vital for all CEOs to possess a high level of management expertise.

"While in statutory bodies learn the art and science of management so that we can pick up good management methods.

"And when we leave the government and join the private we can manage businesses effectively and efficiently," he said.

Tracing the background on establishment of statutory bodies, Dr Mahathir said they were formed so that they could be free from the stringent government General Orders to enable them to undertake their own businesses without being too dependent on the government.

However, this freedom resulted in the statutory bodies becoming ineffective as they were free but did not have enough allocations.

He said statutory bodies did business with government capital but were not successful, and such a thing did not happen in the private sector which did not require capital injection every year.

Dr Mahathir said such problems had prompted the government to implement privatisation which enabled government-owned companies to be better managed to bring in profits.

Unlike nationalisation as practised in communist and socialist countries, privatisation enabled the companies to make more profits and the government to gain through taxes, he said.

Among those present were Chief Secretary to the Government Tan Sri Abdul Halim Ali, Kedah Exco member Datuk Syed Razak Syed Zain who was representing Menteri Besar Tan Sri Sanusi Junid, and another Exco member Abdul Rahman Ariffin.

Dr Mahathir also gave away prizes for the Best Annual Report contest for statutory bodies which was organised by Dewan Bahasa dan Pustaka.

The first prize went to Malaysia Tourism Promotion Board, the second to the Employees Provident Fund (EPF), and the third to Kuala Lumpur City Hall.

-- BERNAMA

MZM NH YBY