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MAHATHIR-MALAYSIA AIRLINES

GOVT MAY REMOVE GOLDEN SHARE "OBSTACLE" IN MALAYSIA AIRLINES

KUALA LUMPUR, Nov 6 (Bernama) -- The government will relinquish its special "golden share" in Malaysia Airlines (MAS) if it posed to be an obstacle to foreign investors keen on taking up a stake in the national carrier, said Prime Minister Datuk Seri Dr Mahathir Mohamad today.

The prime minister made this comment when asked by reporters after he had opened the 40th meeting of the Commonwealth Telecommunications Council here on whether the government would give up the "golden share" following talk that foreign investors viewed the share as a possible deterrent to investment.

The "golden share", through which the government has a veto power, is being held by the Ministry of Finance (MOF).

However, some top-level government officials had previously said the "golden share" would not be a deterrent as foreigners preferred it because this meant their interest would be secure.

On whether the post of Malaysia Airlines' chief executive officer could be held by a foreigner, Dr Mahathir said many local companies these days have foreign managers.

When pressed further, he said that could be a possibility in Malaysia Airlines.

MAS is currently headed by chairman Tan Sri Tajudin Ramli, whose company, Naluri Bhd, holds a 29.09 percent stake in the national carrier.

To a question whether Malaysia Airlines would have a new chairman, Dr Mahathir said the issue of Tajudin's shares would have to be resolved first.

The government, he added, was still in talks to buy out his Tajudin's shares.

On identifying a foreign partner for Malaysia Airlines, where it has been rumoured that four parties -- Qantas, KLM, Swiss Air and Air France -- were the potential candidates, Dr Mahathir said the government had yet to decide which one would be the best for the national carrier.

At the same press conference, a question was also asked as to whether the licencing of the 3G or third generation communications operations would be given to a consortium.

To this, the Minister of Energy, Communication and Multimedia Datuk Amar Leo Moggie said the government had not made its decision.

Moggie was previously reported as saying that the decision to proceed on the allocation of licensing would be initiated next year to allow the commercial operations to start in 2002.

3G is the next generation of mobile phones that allows video, audio and data to be transmitted at a faster speed.-- BERNAMA

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