

27 DEC 2000  
Mahathir-MAS

MAS: GOVT TO SEE CONDITIONS OF FOREIGN COMPANIES

PUTRAJAYA, Dec 27 (Bernama) -- The government has to see the conditions imposed by foreign buyers should they offer to take up a stake in Malaysia Airlines (MAS), Datuk Seri Dr Mahathir Mohamad said today.

"Well, we have to see the conditions they (foreign partners) would insist upon should they buy into MAS," the prime minister told reporters after receiving thousands of well-wishers at his Hari Raya open house in Seri Perdana, here.

Dr Mahathir said MAS had social obligations and that was one of the reasons the national carrier faced difficulties in making profits.

"But if foreign interest comes in, they would want to insist that social obligations should not be a part of the duty of MAS. So we will have to consider what will happen if we do that," he said.

Dr Mahathir also said that the government would not let MAS be controlled by foreign companies even if it allowed them to take up a stake in the national carrier.

"But even if it is minority shareholdings, they (foreign buyers) will still want to insist upon certain conditions being met," the prime minister said.

He also said that the country's projection of about seven per cent economic growth (GDP) for next year was based on the economic growth this year.

"We must remember that it will be based on this year's growth and this year's growth is very high," he said.

So, for 2001, the seven per cent growth will be a very, very high growth, Dr Mahathir said.

"We are always very conservative. For example, this year, we projected only 5.1 per cent, subsequently revised to 5.8 per cent and actually we are going to achieve very much more than that. But the Malaysian government is not in the habit of making wild predictions," Dr Mahathir added.

Various other estimates have put this year's GDP growth at around 7.5 per cent.

-- BERNAMA  
RV ES JK