

Your jobs are safe, Mahathir assures MAS workers

SUN 2.1.2001

By **R. Manirajan** and **Eileen Ng**
newsdesk@thesundaily.com

KUALA LUMPUR, Mon: The prime minister has assured Malaysia Airlines staff that they will not be retrenched following the govern-

ment's repurchase last month of the 29.09% stake in the national carrier held by Naluri Berhad.

"We will look after them. We will never let them down," said Datuk Seri Dr Mahathir Mohamad when responding to queries on the fate of the workers.

According to Mahathir, when

MAS was privatised, the government made it a pre-condition that none of the staff should be displaced unless "they themselves chose to leave MAS".

He said Malaysia is not like some countries which neglect their obligations to workers upon a privatisation exercise on the excuse of cut-

ting costs or improving efficiency.

"We have never retrenched workers ... may it be Telekom or others. Instead the workers themselves ask for privatisation, such as Klang Container Terminal and North Port workers and their income will increase," Mahathir said after attending the People's Progressive

Party's New Year open house at PWTC.

MAS has more than US\$2 billion (RM7.6 billion) debts and is headed for a fourth year of losses.

On Dec 20, Tan Sri Tajudin Ramli sold his Naluri Berhad stake in

turn to **PAGE 2**

MAS partner to be known soon

from **PAGE ONE**

MAS for RM1.79 billion or RM8 a share to the Ministry of Finance Incorporated.

The sale price, which was what Tajudin paid when he first bought into MAS in mid-1994, represented a 121% premium to MAS's closing price of RM3.62 the day before.

Finance Minister Tun Daim Zainuddin had, on Dec 23, defended the buyback of MAS shares, stressing that the purchase should not be seen as a bailout.

Amid mounting criticisms, he said that the government was willing to pay RM8 because the company's real value was much higher than the market price

of its shares.

A few days ago, Mahathir was quoted as saying that although he is disappointed with the failed privatisation of MAS, the failure is not because of bad management.

On the appointment of the new MAS chairman, Mahathir said Daim will handle it.

Among the airlines reportedly interested in a stake in MAS are SAir Group, which operates Swissair, and Australian carrier Qantas.

Meanwhile, Transport Ministry parliamentary secretary Donald Lim said the government is expected to announce MAS's new partner or shareholders before the end of the month.

He said the government "has five to six suitable local and foreign candidates in mind".

"It is hoped discussions between all relevant parties can be completed by the next two weeks before we announce the decision," he said after opening a snooker training centre at Pusat Bandar Puchong.

He said the issue cannot be left in their air as MAS is in a "transition period" and its staff are "worried as well as apprehensive about their future".

Lim said the government is "not particular about who runs the company as long as the person has the experience and can run MAS smoothly".