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Govt will not raise oil output even during hard times, says PM

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PRIME Minister Datuk Seri Dr Mahathir Mohamad said the Government will not increase oil production even during bad times so as to ensure enough reserves for the future.

The Government, instead, is encouraging the national oil corporation Petronas to embark on oil exploration overseas to complement the country's reserves, he said.

"Even during tough times, Petronas will be careful in its gas and oil production as we do not want our reserves to dwindle and eventually run out," he said when launching a book entitled "A Vision Realised - The Transformation of a National Oil Corporation" in Kuala Lumpur yesterday.

The book, authored by Datuk Pddie Bowie, covers the history of Petronas and its growth, activities and achievements over the last 25 years.

The national oil company celebrated its 25th anniversary on August 17 1999.

Dr Mahathir said the book is a must-read for all Malaysian executives and politicians as it tells a story of how ambition leads to success.

"Petronas' success has shown that these ambitions do become realities like the vision 2020, where we aim to become a developed nation by our own definition," he said.

The book will enlighten Malaysians and educate many others, he added.

Petronas, Dr Mahathir said, is an example of a successful company which has built a highly skilled workforce and experienced phenomenal growth.

He said the company's top executives have performed very well and can now stand tall and rub shoulders with their counterparts from other multinational oil corporations.

He noted that Petronas' skilled workforce helped the company do well even when the country and the region were experiencing economic setbacks the last few years.

"The story of Petronas need to be told as it will serve as an inspiration to Malaysians.

"Malaysia is a relatively new country... we have to progress rapidly and venture into different areas and skills in a short time," he said.

Dr Mahathir said Petronas can no longer be regarded as a domestic oil company and should be seen as a multinational oil corporation because its exploration activities have expanded into 25 countries worldwide.

"Since going abroad, Petronas has expanded rapidly, carrying out work in 25 countries, until 30 per cent of the company's revenue is from its ventures abroad," he said.

He also commended Petronas for being cautious and adopting a careful approach in its overseas expansion plans.

He said many countries have requested Petronas to start oil and gas exploration in their countries but with the professionalism of its executives, the company managed to minimise risks.

He cited Petronas' fruitful exploration in Sudan where the company was bold enough to undertake the project when no other multinational corporations wanted to step in.

The Prime Minister said the national oil company had, over the last 25 years, expanded beyond the wildest imagination, considering that it is still a "young oil and gas company".

Meanwhile, Petronas chairman Tan Sri Azizan Zainul Abidin attributed the corporation's success to its underlying philosophy and the people running

it.

"In the first 25 years of its operations, Petronas exceeded all expectations with regard to its contribution in furthering the national agenda by pushing for value-added projects and going international to earn as much income as possible for the country and ensure adequate future supply of oil for the nation," he said.

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