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MAHATHIR-ELECTRICITY

GOVT WILL NOT FULLY PRIVATISE POWER SUPPLY INDUSTRY

KUALA LUMPUR, May 4 (Bernama) -- The government will not fully privatise the country's power supply industry, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said although the private sector would play an important role in the industry, theirs would not be the same as that of Tenaga Nasional Bhd (TNB).

TNB would have an important role in the power supply industry because it had extensive experience and the fact that it was controlled by the government which had been chosen by the people, he said during a working visit to TNB's headquarters in Bangsar here.

Dr Mahathir also launched a tele-conference between Unit No.5 of the Sultan Salahuddin Abdul Aziz power station in Kapar, TNB's housing scheme in Pasir Gudang, Johor, Universiti Tenaga Nasional's (UNITEN) campus at Bandar Muadzam Shah, Pahang and Kedai Tenaga PROSPER at Taman Tun Dr Ismail here.

The prime minister said the private sector would only give priority to making profits while TNB, besides making profits, would also aim at providing convenience to the public.

"So we should not worry about the government wanting to follow the example of some developed countries by privatising all of its power supply resources," he said.

Dr Mahathir said some of these countries had now realised that full privatisation may bring about electrical blackouts.

"In Malaysia, we will balance the role of the private and public sectors, especially in the generation and distribution of electricity throughout the country," he said.

Dr Mahathir said TNB's success in being the main electricity supplier in the country had demonstrated that its privatisation had made it more efficient when compared with a department managed in a bureaucratic way by the government.

He said TNB's success in recording a profit of RM1.4 billion in the six months ended February this year was admirable and hoped that it would be the first company in the country to chalk up a profit of RM3 billion.

Based on the determination and past successes of TNB, the prime minister said he was confident that the target would be met.

On the power supply industry, Dr Mahathir said it was important to have adequate power generation capacity to speed up the nation's development and in this modern era because most equipment and machines needed electricity.

He said electricity supply in Malaysia had become a necessity to people from all walks of life, including those staying in remote areas and this was something to be proud of because TNB had succeeded in raising power supply facilities.

"However, we (often) take things for granted. Let us not think that it is a natural thing, it needed to be managed well and supervised by those who are experienced, efficient and trained."

Dr Mahathir said the power supply industry now faced various problems and what happened in California, which experienced several blackouts and disruption in electrical supply recently, showed that the industry had to be managed properly.

Incidents in California proved that there was no perfect system and developed nations should not look down on the capability and capacity of

developing countries.

"They have still not overcome the (power supply) problem. We should also not talk about others for it may boomerang on us. It is their bad luck because there is no human who is so efficient until no disaster could emerge. Humans are not perfect, there are shortcomings."

Dr Mahathir said the power supply problem in California was a blessing because there were manufacturers who used electricity like aluminium producers who had to look for alternative manufacturing sites like Malaysia which was reviving the Bakun hydro-electric project.

In a question-and-answer session later, Dr Mahathir said the privatisation of any government entity or agency in Malaysia was different from other countries which only wanted to get foreign exchange to eliminate debt whereas in Malaysia, privatisation was given to its citizens who had the capability and were prepared to work with the government.

He said the government, besides being the largest shareholder in any privatised entity, was also responsible for their privatisation exercise.

"We will not rush to privatise every power station but only if it would provide benefits to its employees with better salaries and working conditions."

Dr Mahathir said the approach of any privatisation exercise also depended on the entity's ability to succeed when it was privatised fully or partially or corporatised. -- BERNAMA

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