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PM: MAS audit under way

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KUALA LUMPUR, Tues. - Appropriate action will be taken against the previous management of Malaysia Airlines if the Government discovers irregularities in the way the national carrier was managed.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the auditing being conducted on Malaysian Airlines Bhd (MAS) was a normal exercise being carried out to determine what went wrong under the previous management.

"Usually, anyone who takes over a company will conduct a thorough study on the company's position.

"If there are criminal elements involved, we will surely act.

"But if the actions (which led to the company facing problems) was due to not being prudent or they were simply not good enough, then that is another matter," he said.

He was asked on a statement by MAS chairman Tan Sri Azizan Zainul Abidin yesterday that the new management was going through some of the company's previous contracts and work procedures.

Dr Mahathir was also asked whether the airlines' former executive chairman Tan Sri Tajuddin Ramli was under any form of investigation.

"No, he is not. There may have been bad decisions.

"We will have to look into the decisions made previously whether they were prudent or not ... we have to take measures to correct them," he said.

Elaborating, he said the Government bought over MAS hastily as the airline was losing millions of ringgit every year.

In 1999, he said, MAS lost RM900 million and the following year, RM1.3 billion.

(The company had been losing money the past four consecutive years.)

Dr Mahathir said if the Government had not taken over MAS, there was a possibility the company could not be revived.

The Government acquired 29.9 per cent of shares owned by Tajudin in MAS on Dec 20 last year for RM1.792 billion.

Dr Mahathir was also asked whether the financial problems faced by MAS, Renong and United Engineers Malaysia Bhd (UEM) was a setback to the Government's privatisation programme.

"No, we had to intervene as we felt that was the best way to rehabilitate not only these companies, but other companies facing similar problems," he said, adding that these included subsidiaries of these companies.

Asked on Megawati Sukarnoputri's appointment as Indonesia's new President, Dr Mahathir said: "As I said, it is a matter for the Indonesians to decide on whoever they want to form their Government ... we will accept.

"We don't try to evaluate which government is better. Whoever they (the Indonesians) choose, we will be very happy to work with them," he said.

Asked whether the problems affecting Indonesia could affect Asean solidarity, Dr Mahathir said the grouping could handle these changes.

"It is a little bit destabilising. (But) I think we can handle the changes."

He was also asked on the call by DAP youth chairman Teng Chang Kim to party chairman Lim Kit Siang not to contest in the party's election next month.

Dr Mahathir said Lim had repeatedly said he would give up all posts in

the party if he lost in the general election, but failed to live up to his promise each time.

"It looks like he doesn't want to give up his posts. But if you look at the party's background, they have this habit of not wanting to give up their positions," he said.

Asked on the Kedah State Government's move in blaming Pas for the problems affecting Muslim youths, Dr Mahathir said this was because many religious teachers taught their students to hate the Government and failed to impart religious values.

"We have cases where some students become anti-Christians just because they think this suits them. I even heard of a girl with tudung wearing a chain with an inverted cross," he said.

Dr Mahathir said some would say there were attempts by the Christian community to convert these youths, but in actual fact, they were being taught deviationist teachings.

He said that the Government would conduct courses for these teachers in an effort to neutralise them.

Earlier, Dr Mahathir had witnessed the handing over of the General Multi-Purpose Card Certification Award to Iris Technologies and the National Registration Department by Proton World International.

Asked when would all Malaysians be required to change their identity card to the GMPC, Dr Mahathir said this would be implemented in stages.

He said some of the GMPC's functions were now ready for use.

"The banks are all ready for your transactions. You can also use it for Touch-and-Go, for any transaction with the Government, the Road Transport Department and Immigration," he said.

He said the GMPC's functions would be increased in future to meet the needs of the people's daily lives.