

PM: We're rectifying Tabung

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Recent action part of ongoing corrective measures against unfavourable

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PETALING JAYA, Sun. •• Tabung Haji's recent action to recover funds from Metrowangsa Asset Management is part of ongoing corrective measures against investments which were not conducive, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said the action was initiated by the new management of the fund board.

"We have taken action, we appointed fresh individuals and these are actions taken by the new management," he said.

Speaking to reporters at the Royal Malaysian Air Force Base in Subang on his return from a nine-day working visit to Germany, Russia and Poland, Dr Mahathir said the Government was aware of shortcomings in Tabung Haji.

"This is an old problem which we are trying to rectify. This is the reason why we changed the management and the investment panel," he said when asked if the Government would take any other action with regard to Tabung Haji.

The Government announced a new management team last September and appointed former Ama-

ed by Syed Anwar.

On the National Union of the Teaching Profession's allegation that students were being racially segregated in schools, he said it was a misunderstanding which could be resolved amicably.

It was unfair to level such an accusation against the Government which was striving to inculcate unity, he said.

"This is a misunderstanding because of the moral education and religious teaching subjects during which students had to be segregated... I don't think it is implemented as a policy," he said.

nah Capital Partners Bhd group managing director Datuk Seri Syed Anwar Jamalullail to head the fund board's investment panel.

Last Thursday, Tabung Haji issued show cause letters to six senior management staff over their alleged involvement in the Metrowangsa investment.

On Friday, the New *Straits Times* learnt that Tabung Haji would withdraw and redirect all its investments which are considered 'high risk' or have breached the fund board's investment policy.

The pilgrims fund board has also decided to dispose of part of its more than RM10 billion worth of properties.

Sources had revealed the move followed recommendations from the board's investment panel, head-

He had been asked to comment on the findings of the Independent Committee on Segregation in Schools which absolved the Education Ministry of the allegation.

The NUTP had alleged that 209 national schools nationwide and a district education office practised racial segregation.

Dr Mahathir said there were some quarters who were opposed to bringing students together in schools.

"We want to bring students together, while it is others who are actually objecting to this, not the Government," he said.

Asked if NUTP should apologise over the allegation, Dr Mahathir said: "I don't know. I think they (NUTP) misunderstood. We can clear this up with them."

Haji

investments