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MAHATHIR-APS

MAHATHIR SAYS RAFIDAH MISLED UMNO DELEGATES OVER AP ISSUE

KUALA LUMPUR, July 26 (Bernama) -- Former Prime Minister and Proton adviser Tun Dr Mahathir Mohamad claims that Minister of International Trade and Industry Datuk Seri Rafidah Aziz misled delegates at the recent Umno General Assembly over the issue of Approved Permits (APs).

Contrary to the original aims of the issuance of APs, which was to raise the number of Bumiputeras in the auto industry, Dr Mahathir maintained APs had been abused, enriching certain Bumiputera individuals, with two or three individuals getting thousands of such permits although they did not have any showrooms.

"I am not envious of Malays becoming rich. But their wealth must be obtained in the right way," he said.

Dr Mahathir said he had "many times ticked off those who sell their APs to get rich quickly."

He said it was clear that the problem of APs being sold was now widespread and that "it is the responsibility of a minister to monitor the situation to ensure such abuses do not occur."

He said the clash over the APs issue was not a difference in statements between individuals or the minister and a retiree (himself), but about a national industry.

Dr Mahathir also said Rafidah's allegations at the Umno General Assembly and during interviews that "I might have forgotten this and that" was not true.

"Although I am already 80-years-old, I am not senile," he said in what was surely a strongly-worded 21-point statement released here today.

He said he made the detailed clarification in a statement as the media and TV stations might not report all the facts to the public.

Rafidah, in her winding-up speech as Umno Wanita Head to the party's 56th General Assembly last Saturday, tried to explain at length the issuance of the APs but was heckled by delegates who clearly were not satisfied with her explanation.

There were those who wanted Rafidah to apologise to Dr Mahathir as they felt she was rude to the former Prime Minister during their spat through the media over the APs controversy.

Last Tuesday, 61-year old Rafidah broke down almost uncontrollably at a press conference over suggestions she was rude to Dr Mahathir.

She said she regarded Dr Mahathir, who stepped down on Oct 31, 2003, after 21 years as Malaysia's Prime Minister, as a father figure.

During Dr Mahathir's administration, Rafidah was reportedly regarded as his favourite minister given her hardworking credentials and impressive performance especially in regional and international trade conferences and negotiations.

The minister also said last week that she was the first to scream and run on to stage at the Dewan Merdeka towards the former Umno President when the latter announced his shock resignation from all party and government posts at the close of the Umno General Assembly in 2002.

Today, Dr Mahathir said the letter and attached documents sent by Rafidah to him did not prove the claims made by the minister on matters relating to, among other things, the approval for Naza Ria to be accorded national car status, the number of APs issued between 2004-2005, the terms and conditions for issuing the APs, the types of APs issued, names of those companies and individuals who received APs and the total they received

respectively.

For instance, he said there was never any decision by the government during his tenure as Prime Minister not to release the list of names of AP recipients to the public.

"Perhaps the decision (not to release the names) was made by the present government.

"The question is whether the decision (not to release the names) was made before or after the minister announced that the government's policy was not to release the names of AP holders," he said.

He said, although there were no official restrictions on retired government officers receiving special privileges by the government, the public was questioning "why only this officer got thousands of APs when he has not even fulfilled the required conditions".

He said many car dealers, including the Malay Automobile Importers and Distributors Association of Malaysia (Pekema), asked for the APs but were not given.

"They were also not told about the franchise category of APs.

"If they had received APs under this category, there would have been more AP holders," he said.

The introduction of the franchise APs was not announced to car dealers, Dr Mahathir said.

He said that all of a sudden, the franchise category was introduced and, under the category, certain individuals received many APs.

Under the previous open category APs, importers could bring in various models.

When the franchise APs were introduced, only those who had this franchise could bring in imported models.

As a result, those who previously were allowed to import through the open category APs, were no longer able to import these cars.

Those who received the franchise APs were not car traders but former government officers who received thousands of APs despite not having facilities to assemble or sell these imported cars.

They only handed over -- with a certain payment -- the APs to parties who could afford to assemble and sell imported cars of certain models, he said.

He said the contents of the letters between Rafidah and himself would also be released later to avoid any misunderstanding.

The question of Proton's quality also did not arise as the national car manufacturer had managed to penetrate the Australian and United Kingdom markets, he said.

New models were bound to have some defects, he said.

He said thousands of cars of well-known makes were recalled as a result of certain defects, including Mitsubishi, Chevrolet, Ford and others.

He said he made the clarification to preserve and protect "national dignity and national interests and for a national industry that has succeeded.

"I do not have any interest in Proton. I do not receive a single sen as its adviser.

"If my son received a small number of APs (95) to import the Porsche, it fulfilled the conditions. To sell 50 cars of this model is not easy," he said.

"Don't do it like before, linking my family whenever something that should not be done happens," he said.

Dr Mahathir said he was forced to reveal everything to protect the interest of the national car industry and not "because I did not get APs" as claimed by an English language newspaper.

He said that at the beginning, after replying to Rafidah's letter with

a copy to the Cabinet, he did not have the intention of making any more statements.

"It was up to the Cabinet to determine what is true and what is not.

"However, because the minister did not make a true statement to Umno delegates and the public, I was forced to make a clarification," said Dr Mahathir.

Dr Mahathir also said: "I was once Trade and Industry Minister. The explanation by the minister that she cancelled many of the APs of holders who did not fulfill conditions when she took over the ministry showed how strict she was then.

"But who was her predecessor at that time? As this was not mentioned, some might think I was the person."

Providing a background to the early days, he said APs were first issued in the 70's before Proton came on the scene.

At that time, he said Malays could not enter the auto business as auto agents such as Kah Motors (Honda), UMW (Toyota) and Cycle and Carriage (Mercedes) and others comprised non-Bumiputeras.

"They (non-Bumiputeras) did not give opportunities to Bumiputera businessmen," Dr Mahathir said.

The cars assembled in the country or imported by agents, dealers, distributors and official importers could not be imported by anybody else without paying "over-riding" commission to the official agents.

Following that, APs were given to import reconditioned cars.

Although many Bumiputeras sold their APs, there were those who succeeded in this field, among them Tan Sri S.M. Nasimuddin, he said.

"Without APs, there would not be any Bumiputera car dealers before Proton. But many Bumiputeras were successful as car dealers when the national car was manufactured," he said.

The manufacture of Proton helped to reduce the number of imported cars by non-Bumiputera agents.

He said that with more demand for the Proton, there would be more Bumiputera agents and their sales more brisk.

In contrast, when APs were given in larger numbers to a smaller group of Bumiputeras who were basically not prepared to trade, naturally the number of Bumiputera car dealers did not increase significantly.

Therefore, the sales of Proton cars by its agents comprising Bumiputeras had dwindled, he said.

Besides this, the prices of imported cars via APs were very low, enabling these cars to be sold at a large discount and, therefore, their sales had been brisk.

At the same time, the number of Proton agents had not increased, said Dr Mahathir. -- BERNAMA

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