

'Work with Tony Fernandes to salvage MAS'
MalaysiaKini.com
Feb 25, 2014

The time has come for acting Transport Minister Hishammuddin Hussein to "put aside ego" by working with Air Asia founder Tony Fernandes to salvage national carrier Malaysia Airlines (MAS).

DAP secretary-general Lim Guan Eng, who proposed this in a statement today, said Malaysia would lose if Hishammuddin refuses to accept Fernandes' expertise.

Lim was commenting on MAS' huge financial losses over the last three years amounting to RM4.1 billion.

MAS had incurred losses of RM 1.17 billion last year, RM433 million in 2012 and a record loss of RM2.5 billion in 2011.

"There is no sense of crisis or a turnaround plan at MAS to stem the bleeding of financial losses," Lim claimed.

"While MAS may think that these losses are sustainable because it had a cash balance of RM3.9 billion at the end of last year, it would be irresponsible - if not suicidal - to continue with the 'business as usual' attitude."

Khazanah Nasional, which owns MAS, must seek decisive surgical solutions by coming to terms with the fact that MAS, with its current cost structure, is just not viable, he said.

He recalled that the Singapore *Business Times* has even suggested that MAS files for bankruptcy to allow its replacement the fresh start needed to resuscitate the airline.

This is because MAS is bogged down by overstaffing and "lopsided procurement contracts" from maintenance to catering.

"No one is surprised that cronyism and hanky-panky are one of the main causes of MAS' continued decline," Lim said.

However, the DAP does not agree with the proposal for MAS to file for bankruptcy because this would be shameful and have an adverse impact on employees.

Lim also called on Khazanah to come up with a concrete plan to rescue MAS, which must include the adoption of international practices of open competitive tenders and performance-based assessment for all employees and senior managers.

Despite the subsidies and government grants it has received, MAS has shown that it cannot compete with AirAsia, Lim said.

Lim described AirAsia as a "miraculous success story" for Malaysian entrepreneurship, even though it has not received a single cent from public funds.

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