

PM: Report on equity wrong

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PUTRAJAYA: Prime Minister Datuk Seri Abdullah Ahmad Badawi has dismissed the Asian Strategy and Leadership Institute's (Asli) Centre for Public Policy Studies' report on bumiputra equity as inaccurate.

"If the information used (in the survey) is wrong, how could you get a correct conclusion? It will be wrong," he told reporters when asked to comment about the report. *Corporate Equity Distribution - Past*

Trends and Future Policy, yesterday.

The report, citing statistics from the Bursa Malaysia Corporate Equity's 2005, estimated the amount of bumiputra equity ownership at 45% of the RM715.4bil worth of stocks on the stock exchange, or RM325.08bil.

However, the Government's estimate of bumiputra equity ownership in the 9th Malaysia Plan (9MP) was only 18.9%.

Abdullah said the information used by the Economic Planning Unit for government docu-

ments involved 600,000 companies in Malaysia.

It was reported that Asli had cited information from a sample of 1,000 companies listed on Bursa Malaysia to substantiate its findings,

"If this conclusion is used as a discussion point in a forum by a well-known think tank like Asli, this will result in reactions that are, in my view, not good. It will raise many questions and allegations," he said, adding that to present the report, which was incomplete, was irresponsible.

"Government-linked compa-

nies (GLCs) are not bumiputra companies. These are government companies, with their profits given to the Treasury, and the funds are used for the people and country," he said.

It was wrong for people to assume GLCs were bumiputra-owned and this would result in unpleasant reactions from non-bumiputras, Abdullah said. "It could, incite anger."

The debate on bumiputra equity came about after Asli published a report earlier this year that the New Economic Policy target of 30% had been

exceeded.

He said there were more than 300 nominee companies. "If you conduct a survey, you would discover that only 13% was bumiputra-owned, with some 60% owned by non-bumiputras," he said.

On the fifth meeting of the National Implementation Task Force (NITF), Abdullah said more than 50 projects had been tendered, and by the year-end the figure would reach 200.

Commenting on the bumiputra equity issue, Deputy Prime

Minister Datuk Seri Najib Tun Razak said the Government had a different mechanism for gauging the level of the group's equity in the economy.

Disputing the Asli report, he said the position of bumiputras was relatively low.

"We do not want it to become a polemic issue. There are various measurements to gauge the level. We base it on the par value of the bumiputras, not on the share value of big companies," he told a press conference during a half-day working visit to Kelantan.