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Privatisation 'good' for MAS

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GAINING SUPPORT: Move will help national carrier become a more profit-driven entity, says Dr M

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Former prime minister Tun Dr Mahathir Mohamad is supportive of the proposed privatisation of Malaysian Airline System Bhd (MAS) as he believes that it would help the national carrier become a more profit-driven entity.

He said the proposal to privatise MAS should be considered.

"Some government-linked companies (GLCs) are less driven when it comes to making profit.

"This is because the operators of those GLCs believe that the government would come to their rescue if the companies' performance starts to dwindle.

"That is why I am a believer of the concept of privatisation," Dr Mahathir said during his Hari Raya Open House in Seri Kembangan, near here, yesterday.

He was asked to comment on calls for the

government to sell MAS in a bid to improve the airline's performance.

Dr Mahathir said the normal practice in a government-owned company is different from a privately run firm.

"I had run a GLC previously. The nature of GLC is more towards creating employment for the people and lesser attention is given to proper management.

"A GLC will request funds from the government to operate its business annually while a business entity will focus on making profit without expecting any yearly capital or financial assistance," he said.

Dr Mahathir, who is also Proton Holdings Bhd adviser, said the national carmaker is now more sensitive towards its financial status after it was privatised last year.

"The new owners of Proton are more conscious over its profit and loss because they are the stakeholders of the company.

"They would spare no effort to ensure the company achieves its profit target to reap benefit from it," he said.

The call to privatise MAS was mooted by Minister in the Prime Minister's Department Datuk Idris Jala, who was the carrier's chief executive officer from 2005 to 2008.

Idris Jala had stressed that MAS should only be sold if the price is right.



The call to privatise MAS was mooted by Minister in the Prime Minister's Department **Datuk Idris Jala**, who has stressed that MAS should only be sold only if the price is right.