

## PRIME NEWS

# 'Raising electricity rates was for nation's good'

## LONG-TERM MEASURE:

Refusing hike would have caused govt to subsidise TNB using public funds, says PM

**ZULITA MUSTAFA**  
KUALA LUMPUR  
zulita@nst.com.my

**T**HE government had no choice but to increase electricity tariffs on Jan 1 this year to avoid Tenaga Nasional Berhad (TNB) from registering losses in the long run and risk the future of its 34,900 employees.

Prime Minister Datuk Seri Najib Razak said yesterday it was also a long-term measure to ensure TNB continued to be the nation's key power utility in ensuring a continuous supply of electricity.

"TNB would risk having its financial viability affected should the government decide not to increase tariffs. We want to make sure the majority of the people are not burdened," Najib said in a speech at a TNB employees assembly in conjunction with Workers Day here.

Najib, who is also finance minister, said refusing to increase the tariffs would result in the government having to subsidise TNB by using public funds, thus, hampering development spending.

"It is not that we want to raise the



Prime Minister **Datuk Seri Najib Razak** addressing Tenaga Nasional Berhad employees at an assembly in conjunction with **Workers Day** in Kuala Lumpur yesterday. Pic by Abdullah Yusof

tariffs. But what options do we have? If not, we would have had to use public funds to subsidise TNB."

Najib said it would be the duty of TNB staff to explain to consumers the rationale behind the move to raise the power tariffs.

The power tariffs rose by an average of 15 per cent effective Jan 1 after the government announced on Dec 2 last year that it had approved the increase.

Najib also launched the 1TNB Transformation Programme, consisting of six key result areas: improving ties with regulatory au-

thorities; exceeding customer satisfaction; expanding new business; managing cost and operations efficiently; transforming the organisation; and, strengthening Sabah Electricity Sdn Bhd (SESB).

He said the 1TNB Transformation Programme was appropriate and in line with the government's transformation programme.

"I believe the six key result areas are timely and I urge all TNB employees to view this closely."

Najib said since employees were a company's most important asset, the working environment and

company's direction were important to ensure that an organisation, such as TNB, could be handled effectively.

He said TNB had always taken such an initiative and should always be concerned with the welfare of its employees.

Najib urged employees to not sit back and become complacent with the company's achievements as he believed there was still room for improvement.

He thanked TNB employees who had tirelessly worked hard to ensure its smooth operation.