

# Only viable GLCs, GLICs to remain in operation: PM

> Government will not hesitate to shutter firms that consistently fail to generate profit, says Anwar

**KUALA LUMPUR:** Prime Minister Datuk Seri Anwar Ibrahim has called for an end to the unchecked creation and maintenance of unprofitable GLCs, declaring that such practices must cease immediately.

Anwar, who is also finance minister, said his administration is intensifying the oversight of GLICs and GLCs, ensuring that only viable entities remain in operation.

"So far, only a small number of these companies have been shut down.

"But in the spirit of transparency and good governance, we have closed many companies under government agencies such as the Rubber Industry Smallholders Development Authority (Risda) and the Federal Land Development Authority (Felda) that did not fulfil their original mandates," he said in the Dewan Negara yesterday.

Anwar made it clear that the government would not hesitate to shutter firms that consistently fail to generate profit.

"There is no benefit in setting up companies, appointing boards of directors, and paying allowances if they continue to run at a loss. This practice is wasteful and it must stop."

Anwar's remarks came in response to questions from lawmakers regarding the

effectiveness of board appointments within GLICs and GLCs.

"I can guarantee that last year saw comprehensive and more rigorous monitoring.

"Company management will be held accountable for any deficiencies, and this heightened scrutiny is now being extended to all government agencies."

He also addressed concerns about government procurement by GLICs and GLCs, revealing that these firms had spent RM59 billion between 2020 and 2024 on contracts awarded to Bumiputera companies - a figure that represents 32% of their total expenditure.

"These investments are not just about procurement.

"They include job creation, training and education through vendor development programmes designed to strengthen Bumiputera businesses."

He cited UEM Group, a major GLC subsidiary, as an example, saying it employs the Malaysian Productivity Business Excellence framework to help local firms secure international certifications and compete for industry awards.

Under the Bumiputera Economic

Transformation Plan 2035, GLICs and GLCs have been assigned clear roles in investing in high-potential Bumiputera enterprises, developing vendor programmes and nurturing Bumiputera talent.

Anwar also underscored the broader role of GLCs and GLICs in supporting social welfare efforts, including disaster relief, employee benefits and urban revitalisation initiatives, Bernama reported.

On parliamentary independence, Anwar reaffirmed his administration's commitment to structural reforms, emphasising that a constitutional amendment Bill, currently before Parliament, would be a significant step towards strengthening Malaysia's democratic institutions.

"The amendment is not just about procedural changes. It will be a milestone in institutional reform, ensuring that Parliament functions as an independent and sovereign body."

Under the proposed changes, Parliament, which currently falls under the jurisdiction of the Prime Minister's Department, will be granted greater autonomy.

He said the amendment would pave the way for the Parliamentary Services Bill 2025 that seeks to restore the separation of powers among the legislative, executive and judicial branches - a principle first upheld under Malaysia's founding prime minister Tunku Abdul Rahman, but later weakened when the Parliamentary Services Act was repealed in 1992.