

Admit MAS-AirAsia tie-up a mistake, Anwar tells Najib
The Malaysian Insider
April 25, 2012
By Shannon Teoh

KUALA LUMPUR, April 25 — Datuk Seri Anwar Ibrahim called today on his archrival Datuk Seri Najib Razak to admit the Malaysia Airlines-AirAsia share swap was a mistake after the “nose-diving” flag carrier reported “its largest loss in history” of RM2.52 billion last year.

Singapore’s Business Times reported today threats by the national carrier’s 20,000 employees had pushed Putrajaya to unravel the tie-up with Asia’s largest budget airlines.

The financial daily pointed out union leaders dangled their votes openly before the government and held talks with Opposition Leader Anwar before meeting the prime minister.

Anwar, who is PKR de facto leader, continued to pile pressure on the Umno president today, calling him to immediately freeze any changes to routes and management in MAS prior to unwinding the share swap.

“Admit to the Malaysian public that the AirAsia share-swap was a mistake. MAS cannot continue to be managed based on political decisions that have turned it into a loss-making company and threaten the future of its 20,000 employees,” he said in a statement.

The controversial share swap saw state investment arm Khazanah give up a 20.5 per cent stake in MAS for 10 per cent of AirAsia.

The idea was to have some of the business acumen, which took AirAsia from a two-plane outfit to Asia’s largest budget airline in just 10 years, rub off on the national carrier.

But the deal has drawn heavy criticism from unions, the opposition and some Umno leaders who say Putrajaya is ceding control to AirAsia boss Tan Sri Tony Fernandes, whom they accuse of taking advantage of the loss-making national airline for his personal ambitions.

Since the deal was announced, AirAsia has won approval from the government to fly to Seoul and Sydney, two routes it has long coveted and both airlines agreed to sponsor Queens Park Rangers, the English Premier League (EPL) club that Fernandes owns.

Anwar also said today that MAS must “freeze any top management recruitment in MAS, to halt perceptions there is an ongoing “AirAsia-nisation.”

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