

PAC chief blames Khazanah for lack of oversight in MAS-AirAsia deal gone wrong
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Public Accounts Committee (PAC) chairman Datuk Nur Jazlan Mohamed (pic) today reprimanded Khazanah Nasional for its role in the Malaysian Airlines-AirAsia share swap deal which resulted in both carriers being fined RM10 million each by the Malaysian Competition Commission (MyCC) last week.

In a statement today, Nur Jazlan said that Khazanah and other government-linked companies (GLCs) should not rely solely on consultants for advise. He said the consultants were only motivated by profit and had at times overlooked the laws governing a transaction.

The state asset manager holds a 69% stake in Malaysia Airlines (MAS). In 2011, MAS and low-cost carrier AirAsia entered into a share swap deal which saw cross holdings by both entities. MAS would hold a 10% stake in AirAsia while AirAsia's stake in MAS would be 20.5%.

The deal was later rescinded after the MAS Employees Union (MASEU) opposed the deal claiming it would result in job losses at MAS.

Last week, the MyCC decided that the deal was monopolistic and both MAS and AirAsia were fined RM10 million each.

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