

MAGB, Khazanah working together to revive MAB, says PM

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KUALA LUMPUR, July 10 (Bernama) -- Malaysia Aviation Group Bhd (MAGB) is working together with Khazanah Nasional Bhd to formulate a strategy and evaluate all strategic options in a bid to revive Malaysia Airlines Bhd (MAB), says Tun Dr Mahathir Mohamad.

The prime minister said MAGB is implementing integrated efforts to reduce losses through enhancing income and cost rationalisation initiatives while MAB is actively exploring various strategic options as well as collaboration networks that benefit the national carrier.

“The government is also open and welcomes any proposal from any quarter to rescue Malaysia Airline System, including a buyout by the private sector,” he said at the oral question-and-answer session at the Dewan Rakyat here today.

He was replying to Datuk Seri Mustapa Mohamed (PH), who had wanted to know the steps taken by the government to revive MAB and how effective they have been.

On cooperation between MAB and Japan Airlines (JAL), Dr Mahathir said a memorandum of understanding was signed on May 27 this year on passenger services as well as domestic services to feed international routes.

“The two airlines will also expand the scope of collaboration, such as sharing best practices, exploring cooperation in other areas such as cargo services, and jointly developing the tourism sector in Malaysia and Japan,” he said.

The collaboration is expected to begin in 2020, subject to approval by the relevant authorities in both countries.

He said under the collaboration, Malaysia will get various economic benefits including stronger trade ties with Japan, potential to enhance the trade and tourism sectors, and promotion of Kuala Lumpur International Airport as an aviation hub.

“Passengers will also get more choices, better connectivity and, in general, better customer service,” he added.

To Mustapa’s question on the steps taken by the government to resolve the problems within MAB, Dr Mahathir said the government had implemented many initiatives to revive MAB but all had failed.

“The management (of MAB) had been changed many times, they all pledged to revive the airline, but unfortunately could not overcome the problems faced by MAB.

“Because of that, today we are faced with the possibility that the airline would be shut so that we can save a lot of money (invested in its revival),” he said.

He stressed that the government is willing to listen to all views on ways to revive MAB, including its takeover, whether through a full buyout or in cooperation with other airlines.

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