

WEE: CLARIFY TIES WITH PRIVATE FIRM

PETALING JAYA : DAP chairman Lim Guan Eng must clarify his relationship with the private company that wanted to land the Penang International Airport (PIA) expansion deal, says Datuk Seri Dr Wee Ka Siong.

The Transport Minister said although the expansion plan for PIA was supposed to have been implemented in 2018, Lim should have considered the role of Malaysia Airports Holdings Bhd (MAHB), which is a government-linked company.

“However, once Pakatan formed the government, the costs of the upgrade and expansion were changed to the private financing initiative (PFI) instead.

“Why did Lim, during his tenure as Finance Minister, choose the PFI model instead of proceeding with the project under MAHB?” asked Dr Wee in a Facebook post yesterday.

He revealed that on Dec 3, 2018, when Pakatan ruled Putrajaya, a private company allegedly wrote to Lim as the Finance Minister, Anthony Loke as Transport Transport, and Chow Kon Yeow as Penang Chief Minister.

“This letter made clear that it intended to take over the operation of PIA from MAHB within 30 years.

“For this, the company said it was prepared to bear the cost of RM1.2bil to expand the airport and raise its passenger capacity to 15 million yearly.

“At that time, MAHB’s market cap had breached RM15bil, more than enough to bear the cost of PIA’s expansion and upgrades. The private company planned for 15 million yearly passenger capacity, instead of the 12 million when approved under Barisan Nasional.

“What this implies is there would be more land acquisition needed, including that of a nearby school.

“Why had Lim insisted on awarding this project to a private company compared to MAHB, which is already more than capable of financing the project, with the experience to run the facility?” asked Dr Wee.

He further pointed out that Lim himself praised the initiative to upgrade PIA under Budget 2018.

“Logically, if Pakatan had proceeded with the PIA expansion under Budget 2018 as tabled by the Barisan government, how could I have delayed the project?”

“If the project had been allowed to start in 2018, how would I have postponed it in 2020 when I was Transport Minister?”

“Back then, MAHB had a 2018 after-tax profit of RM727.3mil (and RM537mil in 2019), with cash reserves of nearly RM1.5bil, while its market cap was more than RM16bil.

“Not only does MAHB have the reserves to expand PIA, the expenditure could also be offset by the collection of passenger service charges subsequently. How can this former Finance Minister fail to understand this concept?” Dr Wee said, adding that Lim should clarify his relationship with the said private company so that the public could have the full picture.

In a separate Facebook post, Dr Wee also continued to defend the northern alignment of Section C of ECRL, that starts from Mentakab to Port Klang via Bentong and Gombak, saying that this original proposal meets all the criteria for project sustainability.

“When Barisan came in and restarted the project in April 2021, the Transport Ministry and MRL Sdn Bhd, the project owner, held 37 engagement sessions with 17 Selangor state government agencies before we finally decided on the original northern alignment, at the same unit cost, with lower social and environment impact,” said Dr Wee.

“The cost of the improved northern alignment during my tenure is being kept at RM50.27bil after negotiations with the contractor to bring more benefit to Selangor, especially with the building of many stations (five stations in Selangor) to bring greater economic spillover in Gombak, Serendah and Port Klang, and with extensions all the way to Westport and Northport.”

Dr Wee was responding to former Transport Minister Anthony Loke, who claimed in a ceramah in Bentong on Thursday that he wasn’t responsible for switching ECRL’s northern alignment to a southern one that passes near Seremban and Putrajaya.