

Opposition rapped for alleging irregularities in highway deal

PM to DAP: Show proof

NSI 14 AUG 1987

By SABRY SHARIF

MALACCA, Thurs. — Prime Minister Datuk Seri Dr Mahathir Mohamad today challenged the DAP to prove that there were irregularities in the Works Ministry's decision to award the \$3.4 billion North-South Highway (NSH) contract to United Engineers Malaysia (UEM).

He criticised the DAP for politicising the NSH project, adding that he believed the real reason behind the party's involvement in the issue was not a desire to uphold public interest but that it stemmed from "the politics of frustration".

"The Opposition party is frustrated

that after 30 years of independence, it still cannot form a Government and that there is actually no hard issue for them to champion," he said.

"So it has to survive on unfounded allegations," said Dr Mahathir when opening the 62.6km Senawang-Ayer Keroh highway, 25km from here.

Demonstrators

Also present were Chief Minister Datuk Seri Rahim Thamby Chik, Works Minister Datuk S. Samy Vellu, and Science, Environment and Technology Minister Datuk Amar Stephen Yong.

Top officials of the Malacca and Negeri Sembilan State Governments, Malaysian Highway Authority and the contractor, Kumagai Gumi Co. Ltd of Japan and its local partner, Pembinaan Hashbuddin Sdn Bhd, were also present.

The Prime Minister arrived by helicopter at 8.50am and was not only welcomed by the local dignitaries but also a small group of DAP demonstrators. He waved to the demonstrators led by DAP secretary-general Mr Lim Kit Siang as he left the highway to launch Pusat Expo Melaka, about 10km away.

This is the first time that the Prime Minister has rebutted criticisms made by opponents of the NSH project, especially those from the DAP.

Dr Mahathir said that there had been many allegations concerning the NSH project.

He said that there were some critics, who without wanting to be known publicly, had alleged that he stood to gain from allowing UEM to get the contract to build and manage the 640km North-South Highway.

The DAP had claimed that there was a conflict of interest in awarding the

★ TURN TO P2, COL 6

Dr M. NSH will not be 'white elephant'

FROM PAGE ONE

NST 14 AUG 1987

contract to UEM as it is controlled by Hatibudi Sdn Bhd, the investment arm of Umno, of whom the four trustees are Dr Mahathir, Deputy Prime Minister Encik Abdul Ghafar Baba, Finance Minister Encik Daim Zainuddin and Agriculture Minister Datuk Seri Sanusi Junid.

Dr Mahathir said he had no "bad intentions" as far as the NSH project was concerned.

"In reality, neither I nor the Government have ulterior motives in privatising the NSH; in fact, it is done in the interest of the people," said Dr Mahathir.

He also disagreed that the NSH project would turn out to be a "white elephant".

"We are not a Government obsessed with the building of monuments of little value to the people.

"In fact, the Government is not out to make white elephants of mammoth projects.

"We have been elected by the people and whatever we do will be in the people's interests."