

Nothing wrong with land sale, says PM

NSI 14 NOV 1997

SUBANG, Fri. — Datuk Seri Dr Mahathir Mohamad said today there was no impropriety over the sale and purchase of 146 hectares of prime land in Kuala Lumpur to develop the Kuala Lumpur Golf and Country Club (KLGCC).

The Prime Minister said he could not see any basis in the allegations made by DAP Member of Parliament for Bukit Bintang, Mr Wee Choo Keong.

"I don't see any basis to his allegations. What we want to find out is whether any policy has been breached or whether losses have been incurred," he said when asked to comment on Wee's allegations that a foreign company was allowed to buy prime land in Bukit Kiara at allegedly "give-away prices" to develop the KLGCC.

He said for projects such as development of golf courses, a large initial capital was needed.

"We do not mind criticism (*tegaran*) if indeed losses were incurred," Dr Mahathir said.

At a Press conference at Parliament House on Wednesday, Wee said he

had information that the Government acquired 146 hectares of land in Bukit Kiara for a national cemetery, but later sold it to City Hall at \$59,725 per acre.

On June 6, 1991, he claimed that City Hall signed a 96-year lease agreement whereby the land was sold to the Kuala Lumpur Golf and Country Club Sdn Bhd for the same price.

Asked why City Hall sold the land at the same price and not at market value, which was believed to be about \$1 million per acre, Dr Mahathir replied:

"The matter has not been resolved yet. How can he (Wee) decide what the market value is?"

On allegations that the main beneficiary of the deal was a Singapore businessman, Dr Mahathir said the DAP should not single out Singaporeans.

"There are many businessmen of other nationalities who have come to this country to develop property. In fact, there are a number of golf courses which are financed by Japanese entrepreneurs."

Wee also commented that 99 per cent of the equity of

the KLGCC, which had a paid-up capital of \$10 million, was owned by Solarvest Sdn Bhd, a company with a paid-up capital of \$2 million.

The managing director of Solarvest, a subsidiary of Lum Chang Holdings Ltd, a Singapore company, was Mr David Lum Kok Seng, who is a Singaporean and also the chairman of Lum Chang Singapore.

Wee said that on Feb 26 this year, KLGCC and Lum Chang Singapore allegedly offered club memberships to 698 people who each paid a membership fee of \$79,000. He said Lum Chang Singapore collected 848.86 million from the sale.

He said the club was now offering memberships to another 300 people at \$100,000 each and this would mean that the club would collect another \$30 million.

Asked about the purchase of golf club memberships by Mara totalling more than \$28 million, the Prime Minister said Mara chairman Tamrin Ghafar had submitted a report to him last week.

"I am still studying the matter," he said.