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Request for 50 new prime mover permits has been approved, says Cham

THE Container Hauliers Association of Malaysia (Cham), has clarified that the Ministry of Entrepreneur Development has approved their members' request for 50 new prime mover permits.

It said the approval was given at the meeting held between Entrepreneur Development Minister Datuk Seri Nazri Abdul Aziz and the chief executives of Cham members on February 12 this year.

Clarifying the facts which appeared in the Business Times report dated April 11, and based on the association's memorandum to the Ministry International Trade and Industry (Miti) annual dialogue, Cham said it handed in the memorandum to Miti last December.

"The dialogue was scheduled around the same period but was subsequently postponed to April this year. Since Cham's memorandum was based on circumstances in December, some of the events referred to have changed and are no longer relevant," Cham said in a one-page statement.

Cham is a grouping of five original container hauliers which includes Kontena Nasional Bhd, MISC Haulage Services, Konsortium Logistik Bhd, Diperdana Holdings and Multimodal Freight Sdn Bhd.

The Government had in the past one year liberalised the sector and issued licences to more than 30 new companies.

In its memorandum, Cham said: "We were promised the approval for 50 new permits each if we postponed our proposal to restore the tariff in Penang to its proper level until January 2001."

"However, despite our postponement, our members received letters rejecting their new permit applications without any avenue for appeal.

"The implications of this rejection, particularly those that are public listed, are grave as they are answerable to their shareholders, and this inability to grow and capitalise on the years of experience and accumulation of skills will be a loss not only to the companies but also to the industry and the nation," Cham pointed out."

Unfortunately, according to Cham, it could not defend the memorandum at the Miti dialogue due to the breakdown in communications.

"Cham was not informed of the last-minute change in the date for the dialogue to April 10, and our president Mirzan Mahathir was prepared to attend the dialogue earlier scheduled for today (April 13)," it said.

The association said that at the February 12 meeting, Nazri also briefed Cham on the liberalisation of the haulage industry.

"Cham appreciated the minister's kind gesture and it now has a better understanding on the rationale behind the container haulage liberalisation."

Nevertheless, the association said as a professional body, it will continue to voice its concern over the liberalisation policy, in particular to the possibility of "unhealthy" competition brought about by the new players and the weakening of "our competitiveness" in meeting the impending liberalisation of the transport sector in Association of South-East Asian Nations.

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