

Query on use of PM residence as collateral

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THE use of the Prime Minister's official residence in Putrajaya as security by Putrajaya Holdings to obtain more funds for developing the administrative capital has been questioned by an Opposition MP.

Husam Musa (PAS - Kubang Kerian) said buildings in Putrajaya and the revenue from their rental were given as collateral in 2000 to the holders of bonds.

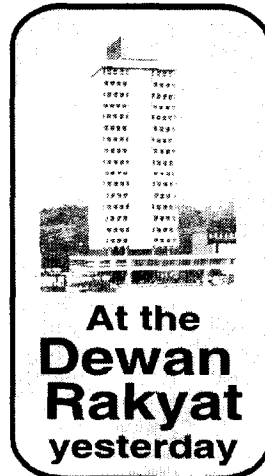
The buildings included the Prime Minister's official residence and the offices of the Prime Minister's Department.

"Although this was a business arrangement, it nevertheless involves the residence of the country's leader. It's an insult," he said when debating the Perbadanan Putrajaya (Amendment) Bill.

Putrajaya Holdings had issued its first Al Bai' Bithaman Ajil serial bonds of RM1.09bil in June 2000, securitising them against the lease rentals of three parcels of government buildings, including the Prime Minister's office and residence.

Husam also expressed concern that the houses being built by Putrajaya Holdings would have an impact on the local construction industry.

"This is because there are presently many residential houses left unsold around the Klang Valley. There is also an



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oversupply of office space," he said.

The Bill, tabled earlier by Deputy Minister in the Prime Minister's Department Datuk Douglas Uggah Embas, proposed to empower Perbadanan Putrajaya in matters of licensing, issuance of permits, accreditation, supervising and registering any organisation which wished to carry out activities at the Putrajaya Lake.

The Bill was later passed.