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No increase in Penang Bridge toll

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KUALA LUMPUR, Wed. - Toll charges on the Penang Bridge will not be raised until September next year, after which the Cabinet will decide whether an increase is necessary.

Works Minister Datuk Seri S. Samy Vellu said although the Government was scheduled to have increased the charges in 1998, it did not.

Asked why the Government changed its mind, he said it decided to conduct audit checks on all concessionaires.

"When concessionaires ask for a toll hike, we have to conduct an audit to find out how much profit they made, how much they pay their staff ...and we will consider all that," he said today after a post-Cabinet meeting.

"It is not like we are going to blindly agree and give in to them."

If the charges are raised this year, the rates would increase from RM1.40 to RM1.70 (Class 1), RM7 to RM8.50 (Class 2), RM12 to RM14.60 (Class 3) RM25 to RM30.50 (Class 4), RM45 to RM54.90 (Class 5), RM60 to RM73.10 (Class 6) and RM75 to RM91.40 (Class 7).

About 120,000 vehicles use the Penang Bridge daily.

"According to the agreement (between the Government and the concessionaire), we have to increase the toll rates this year, but this matter has been weighed by the Government and it has decided to suspend the toll hike," Samy Vellu said.

As the toll rates stay, the Government has to pay compensation to the concessionaire, Penang Bridge Sdn Bhd.

"We expect to fork out RM6.8 million this year as compensation."

Samy Vellu revealed that the Government paid out RM1.83 million in 1998, RM7.73 million in 1999, RM8.16 million in 2000, RM8.61 million in 2001 and RM8.59 million last year.

The total amount in compensation from Oct 1, 1998 to Sept 30 this year stands at RM41.72 million.

He said from the threshold value (income from toll charges equally divided between the Government and the concessionaire), the Government received RM63.09 million between 1998 and last year. It was from this amount that it paid the concessionaire.

The Government received RM9 million in 1998, RM12 million in 1999, RM15 million in 2000, RM15.9 million in 2001 and RM10.22 million last year.

"What we received, we used to pay the concessionaire so that they do not increase the toll."

On the Federal Government's decision to take over the management of water supply in all States by year-end, Samy Vellu said the less developed States would encounter the same problems as the developed ones if they did not agree.

"At the Cabinet committee meeting, most States agreed. There is no point in saying that some States will not comply because in time to come, they will encounter the same problems as the developed States."

On whether Kelantan and Terengganu representatives were indifferent to the discussion at the National Water Council meeting recently, he said they were not.

"In fact, they discussed the matter and even asked the Prime Minister (Datuk Seri Dr Mahathir Mohamad) what would happen if the Federal Government did take over.

"The Prime Minister told them that when the Federal Government takes

over, all costs will be borne by it and all extensions of water supply in the future and resources will be built by it. The Federal Government will also conduct a water resources study."