

'Combative' Samy on toll collection again
Malaysiakini.com
March 22, 2007
Soon Li Tsin

Works Minister S Samy Vellu was in combative mood today - he lashed out at those who had intentionally 'misused' the information he had provided on the toll collection.

"I have given a proper answer but the information has been used in such a way as if to accuse someone of collecting over RM20 billion and then, taking it home," he told reporters at Parliament lobby today.

"When you say the company has collected so many million, you must also show how much is spent for maintenance, service costs, bank loans and all that," he said.

In a written reply to Teresa Kok (DAP-Seputeh) in Parliament on Tuesday, the minister disclosed that users of 19 expressways nationwide have forked out RM23.656 billion in tolls since the first highway was commissioned in 1988.

The total cost of construction of the highways was RM18.93 billion with North-South Expressway (under PLUS) topping the list by collecting RM15.91 billion in tolls since 1988.

Following this, DAP secretary-general Lim Guan Eng said that the privatisation of tolled highways is unfair.

"The RM23.656 billion in tolls collected from the 19 highways since 1988, as revealed by the works minister in a written reply in Parliament on Tuesday, shows it is not only excessive but also unfair to consumers," he said yesterday.

Creating misunderstanding

Lim said the revenue of toll concessionaires has far exceeded the cost of constructing the expressways.

Samy told the press conference that his explanation today was aimed at preventing self-serving politicians from distorting the issue and creating more misunderstanding as a result.

There are other factors that require expenditure and not just the cost of building the roads alone.

"All highway concessionaires must spend on bank loan payments with interest, upgrade costs, maintenance costs and operational costs of the company - the wages and everything else must be included.

"Roads are not built once and (expected to) last for 100 years. When we build a road, we have to pave the road again to make sure the road is roadworthy in a span of three to four years.

He pointed out that for each ringgit paid by a motorist, 40 to 50 percent goes to repaying loans.

Also, 15 to 25 percent is for upgrading work and 25 to 45 percent is to pay for maintenance and operational costs.

Additional burden

He explained that additional expenditures were taken up by toll companies upon the request of the government.

One of them was Plus who spent RM1.042 billion to widen several parts of the North South Expressway from two to three lanes whereas the Penang Bridge is being widened from two to three lanes.

"This resulted in Plus having to take additional loans from the banks," Samy said.

Another example is Litrak (Lingkaran Trans Kota Sdn Bhd) that built and currently maintains the Damansara-Puchong Highway (LDP).

"The government has asked them to build six interchanges to ease the traffic flow and this has further burdened Litrak to a tune of RM400. The concessionaire also has to bear the huge costs like tarring roads, periodic resurfacing and daily maintenance.," he explained.

Samy added that the company will only be able to calculate a profit after they have settled all their loans.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.
Source : <http://www.malaysiakini.com/news/64914>