

MP questions 134% cost hike for new highway
MalaysiaKini.com
January 30, 2012

The DAP has demanded an explanation as to why the cost of the proposed West Coast Expressway (WCE) has skyrocketed from RM3.015 billion to a staggering RM7.07 billion.

NONENational publicity chief Tony Pua said Kumpulan Europlus Bhd (Keuro) had on May 27, 2007, announced that its subsidiary Konsortium LPB Sdn Bhd (KLPB) had entered into a concession agreement with the government to build the 215.8km stretch at a cost of RM3.015 billion.

"It comes as a complete shock that after more than four years of delays and renegotiation between Keuro and the federal government, the development cost has increased by 134.5 percent to RM7.07 billion, as announced by the company last week," Pua said in a statement today.

Worse, the concession period has nearly doubled, from 33 years to 60 years.

"(This) comes together with additional benefits, where the government will grant WCE a RM2.24 billion soft loan at four percent interest and an interest subsidy of up to three percent from commercial loans for 22 years."

The land acquisition cost of RM980 million will also be borne by the government, Pua said.

The WCE will connect Taiping in Perak with Banting in Selangor.

While the cost may be explained by the increase in length by 100km to 316km, Pua questioned why this was necessary, since the route was still between Taiping and Banting.

The increase in length would not justify a 134 percent increase in cost, he said.

"Prime Minister Najib Abdul Razak must explain these glaring discrepancies to demonstrate that he is truly transparent and accountable to the public."

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