

MEX sale as bad as selling APs, says Dr M
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By Aidila Razak

Former premier Dr Mahathir Mohamad said the Maju Expressway (MEX) concessionaire's decision to sell the highway concession for a profit is as bad as selling approved permits (AP) for vehicle imports.

"You can only sell what you own or it could be as bad as selling APs," he said.

mahathir responses to suaram report 01The AP is a federal government scheme meant to help bumiputera businessmen break into the automotive dealership industry.

In 2006, Mahathir (right) had campaigned against then International Trade and Industry Minister Rafidah Aziz for allegedly abusing the system through mass awards of APs to her alleged cronies.

Met today in Kuala Lumpur, Mahathir said that MEX concessionaire Abu Sahid Mohamad had in fact met with him to justify the sale.

"He claimed that he has put in a lot of money into the construction of that expressway.

"He has tried to explain to me but I told him he needs to explain to the public as to why he sold it, and why it seem that (he is) making money out of a government contract."

Maju Expressway Sdn Bhd, which is 96.8 percent owned by Abu Sahid, sold the concession to EP Manufacturing Bhd for RM1.7 billion.

Pakatan Rakyat has claimed that Abu Sahid, who is best known for turning around the ailing Perwaja Steel, stands to make a whopping RM1.09 billion from the deal - a 1,800 percent return on a RM60 million initial investment.

'Artificial wealth'

Chairing a strategy round table discussion earlier, Mahathir said Malaysia needs to grow its domestic demand, especially in the face of uncertain global conditions.

He observed that the crisis faced by western economies today is due to the "artificial wealth" gained through the financial market.

azlanUnlike other goods and services, he said, the financial market does not result in spin-offs in supporting businesses and jobs, and so benefits only a select few.

But the high income of a few offsets the lower wages of the rest of the population, giving the illusion of a higher per capita income.

"Because (western countries) believe they are rich, they pay higher wages but the wages are far too high compared to the workers' productivity, compared to the Far East.

"Workers seem to think they are rich because of high wages and other perks like pensions, unemployment benefits and shorter working hours, and continue to ask for shorter working hours," he said at the National Chamber of Commerce and Industry Malaysia event.

To sustain this, governments end up taking up sovereign debts which get too high to handle, resulting in a crisis in countries like Greece where austerity measures are met with further labour strikes, he noted.

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