

KJ: Cheaper foreign cars will kill Proton
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While acknowledging that PKR's promise to make cars affordable will benefit millions of rakyat, Pemuda Umno chief Khairy Jamaluddin believes such a policy may spell the doom of national car maker Proton and deprive the government of lucrative income.

"If we abolish import and excise duties (on imported cars), it may impact negatively on Proton," Khairy told reporters at a press conference in Bangsar tonight.

He argued that Proton has people working for it as well as its vendors and distributors, which number in the tens of thousands.

"It is not that we want to protect Proton forever, but such sweet promises... without proper planning may spell economic catastrophe."

Khairy also argued that apart from bringing harm to Proton, the opposition's cheap car promise will also deprive federal government coffers of about RM4.6 billion in revenue annually from the scrapping of import and excise tax on foreign cars, something which he said Pakatan has yet to explain how the country is going to absorb.

The Rembau MP opined that the cheaper car promises cannot be taken in isolation but had to be taken in the context of many other promises such as abolishment of tolls and others "sweet promises" in the Pakatan manifesto.

He argued they have not explained how all these is going to be financed.

Earlier today, Pakatan leaders announced their policy of abolishing import and excise tax on imported cars to make it affordable to the rakyat.

PKR strategic director Rafizi Ramli also directly accused Khairy of being responsible for the rise of car prices via his involvement in the formulation of the National Automotive Policy during former premier Abdullah Badawi's tenure.

"That's not true, I see that his statement is way off the mark," countered Khairy when asked about the accusation.

The Umno Youth leader further dismissed the opposition pact's cheap car policy as another populist promise.