

MB: Huge profits if GLCs develop Talam lands

MalaysiaKini.com

July 29, 2012

By Nigel Aw

Selangor Menteri Besar Abdul Khalid Ibrahim has explained that the acquisition of lands by state government-linked companies (GLCs) from Menteri Besar Incorporated (MBI) was intended for development.

This was after Talam Corporation began disposing the lands on top of properties and shares to MBI in 2010 to repay RM392 million in debt it owed to the state government.

The state stood to gain more if the GLCs developed the land first instead of selling them as is, Khalid (left) said in an interview yesterday.

"The value of land is less than the value of development. The state has got enough knowledge on what to develop and enough power to approve the development.

"So why do you sell a piece of land in its raw form when you can sell development?...If you sell development, we are talking about gross development value but if you sell land, it's land per sq ft, that is a huge difference," he said.

He added that it would be better for the state to keep assets than cash as it already has a massive RM2 billion in reserve, fivefold more since Pakatan Rakyat came to power in Selangor.

MCA central committee member Chua Tee Yong had accused the state government of forcing GLCs to acquire the lands from MBI instead of selling them off to recoup the RM392 million in cash owed to the state.

"I find that it... I tell you, sometimes when I see this kind of job, How can I...," Khalid said before bursting into fits of laughter.

'I've given up explaining to Chua'

"He doesn't understand and I don't care, I've reached to that level... my goodness. Even my party came to me and said, you didn't explain to him (Chua), he still doesn't understand.

"I told them, that's why I resigned as a teacher, because after one time I tell my students and they still don't understand, I will tell the student come, I'll do it for you and you can keep the answer," he quipped.

"We started with nothing, and now we have RM390 million or more but this chap keeps needling everything and sometimes it's completely wrong and yet the mainstream media (picks it up)... I find it very irritating," he said.

However, Khalid said in the interest of professionalism, he had commissioned an audit of the deal which will also reflect why GLCs had subsequently acquired the lands from MBI.

"It has reached to the extent that I just want to cut it off. But as a former professional, I can't do that, I have to be professional and get it audited.

"I cannot say you are stupid, you don't know... So I have to go through the pain and delay to make sure that it is done properly," he said.

'Audit has begun'

When queried why was the White Paper on the deal not published in 2010 as promised, Khalid said this was to include the audit report together with the White Paper.

"It was nearly complete but by chance we didn't produce the White Paper because they will start to question the story.

"But once we put the White Paper with the Audit Report and then will become very intact and professional," he said.

Khalid said an international audit firm out of five potential candidates has been appointed and the audit is expected to be completed in August. It is expected to be tabled in the state assembly together the budget in November.

Chua, a trained accountant, had accused the Selangor government of forcing Permodalan Negeri Selangor Berhad (PNSB) to acquire lands in Bukit Beruntung 2 and Bestari Jaya for RM450 million.

The Labis MP had similarly questioned why another state-owned company Kumpulan Hartanah Selangor Bhd had acquired RM44.7 million of Talam assets from MBI.