

Private bill tabled to force PM to give up finance portfolio

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PKR secretary-general Rafizi Ramli has tabled a private member's bill to disallow the prime minister from holding the finance portfolio as well.

The private member's bill entitled 'Act of Separation of Position (Prime Minister and Finance Minister) 2015' was tabled in Parliament today.

The bill stipulates that a minister can only hold one cabinet position with the prime minister choosing his finance minister from among the parliamentarians and senators.

According to the Pandan lawmaker, the move was aimed at Prime Minister and Finance Minister Najib Abdul Razak who refused to quit amidst of a credibility crisis as well as to revive the weakening market sentiment which saw foreign and local investment leaving Malaysia.

"Only with Najib relinquishing his finance minister's position can there be hope for the Kuala Lumpur Stock Exchange to recover," he said.

He disagreed that the RM20 billion injection from state equity investment arm ValueCap Sdn Bhd, as announced by Najib (photo) yesterday, would be able to revive market confidence.

The root cause of the market's depression was Najib who had suffered a credibility crisis due to the 1MDB fiasco and RM2.6 billion donation affair, he added.

"Without solving the basis of the problems the country is facing, it will be like pouring RM20 billion into black hole," Rafizi told a press conference.

The government, which suffered deficit budget since 2009, may not be able to fork out the money to fund ValueCap, he noted.

Thus, ValueCap, with only net assets of RM3 billion may need to borrow to pump money into the undervalued stock market, he said.

ValueCap to borrow money?

On that premise, its three owners - Khazanah, the Retirement Fund Inc (KWAP) and Permodalan Nasional Berhad (PNB) - might expose themselves to the high risk of being indebted and owning undervalued stocks, he added.

He said he surmised this based on the RM10 billion bond raised by the three entities for the purpose of market investment upon the establishment of ValueCap in 2002.

“Unless Najib tells us the source of this RM20 billion, we have to assume that ValueCap needs to borrow it,” he said.

He likened this to Felda’s listing where the shareholders ended up with shares which did not amount to much as compared to the loan they had to take to buy the shares.

Rafizi, however, saw no risk of the the money being used to bailout the beleaguered 1MDB,

He also did not rule out the existence of undue political influence in ValueCap's operations.

“The management of ValueCap is quite junior and they are answerable to Khazanah, KWAP and PNB whose management are in turn answerable to the prime minister,” he said.

“I am concerned of ValueCap being told to purchase shares from the companies which are connected to Umno or BN,” he said.

At the the press conference, PKR also announced that the former secretary-general of Sabah's Liberal Democratic Party (LDP) Loretto Padua Jr had now joined PKR.

He said, this was part of PKR's effort to topple BN by breaking the 'fixed deposit' state status of Sabah amidst of Sabah Umno’s infighting.

Johor and Sabah shaky

Loretto, a 35-year-old lawyer, is now the member of Keningau PKR.

Loretto (at right in photo) was appointed as LDP 's secretary-general on Aug 27, 2013, to replace Chan Chee Keong amidst a party crisis.

“Johor and Sabah are the two states where Umno is split. These two states can decide (who takes) Putrajaya in the next election,” he said.

“Johor has nine marginal parliamentary seats while Sabah has eight. These seats can fall at any moment,” he said.

Thus, the party will recruit more activists and politicians to defeat BN in the next general election, said Rafizi.

Loretto, meanwhile, said he will fight for Sabahans by ensuring the federal government fulfils its promises as stated in the Malaysia Agreement of 1963.