

Taib sues Malaysiakini, Utusan, PKR leaders
Malaysiakini.com
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Sarawak Chief Minister Abdul Taib Mahmud has filed a law suit against two media organisations - independent online news portal Malaysiakini and Umno-owned Utusan Malaysia - for alleged defamation over the timber kickbacks scandal.

He has also named malaysiakini editor-in-chief Steven Gan and Utusan Malaysia group editor-in-chief Mohd Khalid Mohd, as well as Utusan Malaysia Online, as parties to the suit.

The writs of summons against the media organisations were filed in the Kuala Lumpur High Court yesterday for their publication of news reports based on an earlier report which appeared in the Japan Times.

Sarawak State Assembly speaker Awang Asfia Awang Nassar made the announcement today after receiving a note from Taib confirming that the suits had already been filed.

Taib has also filed the writs of summons in the Kuching High Court yesterday against two opposition leaders - PKR state chief Wan Zainal Wan Sanusi and party's Stampin branch chief See Chee How - for distributing leaflets containing articles from malaysiakini and Japan Times.

See, a lawyer, told malaysiakini that he had checked with the Kuching High Court registry clerk who confirmed the chief minister's lawyers had filed the suit.

None of the parties have yet to be served with the legal suit.

10-page personal statement

On Monday, Taib told the State Assembly that he would also sue Japan Times. It is not clear whether he has filed a suit against the Tokyo-based newspaper.

The Japan Times report, which was picked up by both malaysiakini and Utusan, said RM32 million in 'kickbacks' were allegedly paid by nine Japanese shipping companies transporting logs to Japan to a Hong Kong-based company said to be linked to the chief minister and his family.

In an unusual move, Taib made a personal statement at the State Assembly two days ago to deny any involvement in the scandal and claimed he was not aware of such payments to the said company, Regent Star.

In the 10-page statement, Taib "categorically and completely refute" all the allegations. "They are absolutely false," he said.

According to the Japan Times report, the multi-million ringgit 'commission' - made over a period of seven years - was paid to Regent Star.

Illegitimate payments

This was uncovered by Japanese tax authorities who deemed the payments made by nine companies, which is part of a shipping cartel, as 'illegitimate expenses' since the Hong Kong agency - believed to be a paper company - did little 'substantive work' to justify the payments.

According to tax authorities, the shipping companies had tried to disguise the payments as 'business expenses' and were thus not taxed.

Japan Times reported that the shipping firms were likely to be slapped with well over 400 million yen (RM11.6 million) in back taxes along heavy penalties for 'hiding' the funds from tax authorities.

The newspaper added that the shipping companies were believed to have used the money as a "lubricant to facilitate their lumber trade".

The shipping firms, which have rejected the tax authorities' claim and argued that the transactions with Regent Star were legitimate, have denied any wrongdoing.

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