

MB blasts Khir Toyo's RM220 mil sand mining claim
Malaysiakini.com
July 12, 2010

The Selangor government has denied claims that illegal sand mining is taking place in Kg Olak Lempit, near Dengkil.

According to Menteri Besar Khalid Ibrahim, the sand mining operations were being conducted legally by state-owned Kuala Semesta Sdn Bhd (KSSB), which has been issued a permit to do so in January.

He adds that KSSB then commissioned Cheong Weng Trading Sdn Bhd to perform the operations.

Speaking at a press conference in Shah Alam today, Khalid dismissed allegations by state opposition leader Khir Toyo, who claimed that 10 million tonnes of sand were mined in two weeks by illegal miners.

Khalid stressed that it was impossible to do so.

"Since they started operations in January, the company had moved 400,000 tonnes of sand worth RM7 million in revenue," he said.

"It is ridiculous to (say that) 10 million tonnes (were moved) in two weeks because that would require over 500,000 lorry trips. The machinery and mining equipment (used by the company) are not capable of moving 10 million tonnes of sand in two weeks."

Khir's claims were highlighted by Utusan Malaysia today in a front-page report which claimed that the sand mining activities in Kg Olak Lempit were threatening Paya Indah Wetlands park.

According to Khir, the sand mining was taking place on state land and estimates that RM220 million worth of sand had been mined.

State will act on illegal miners

However, Khalid conceded that the state land office has identified illegal sand mining spots throughout the state, including in Bukit Canggang and pledged to take action.

Earlier today, Khalid told the Selangor state legislative assembly that the state had much to gain from proper management of sand mining as revenue payments had been a record high at RM7 million in 2008 after he helmed the state, compared to just RM1.4 million in 2007.

"We have proven that state revenue from royalties has improved after 2008, and we also earned profit (from sand mining). These are facts, not perception," he said during the Questions session.

Replying Mohd Shamsudin Lias (Umno-Sg Burong), he pointed out that previous efforts to combat illegal sand mining had been inadequate as the focus was limited to the actual mining activity.

"The current government not only focuses on output, but also monitors usage. If you look at

both, you will have a more comprehensive way of monitoring," he said.

No reports under BN

On the same note, he defended the state's decision to form Kuala Semesta Sdn Bhd (KSSB), clarifying this is no different from other countries that form state-owned companies to monitor and boost competitiveness in key industries such as oil and mining.

Khalid said that, by being directly involved in the industry, the state is able to identify the buyers and strictly monitor where they obtain sand supplies.

The state can expect annual royalty payments to the tune of RM30 million, based on average monthly demand ranging from 800,000 tonnes to 1 million tonnes - provided the state can control at least 70 percent of the industry, he said.

Khalid pointed out that it only looks like there is an increase in illegal sand mining activities now, because such cases were not reported under the BN government in the past.

He further attributed the sudden focus on illegal sand mining in Selangor as being due to pressure from BN cronies, who are unhappy that they can no longer make a quick buck from the industry.

Staving off protests from the opposition bench at the Selangor state assembly today, Khalid emphasised that some 80 percent of the sand mining contractors engaged by the past administration did not even know anything about their machinery.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.

Source : <http://www.malaysiakini.com/news/137096>