

Will mega-tower affect ASN dividends?

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An opposition parliamentarian has raised doubts on the ability of Permodalan Nasional Berhad (PNB) to build the 100-storey Warisan Merdeka skyscraper, hinting at the possibility of lower dividends from its unit trust schemes.

PNB, the parent company of Amanah Saham Nasional Berhad (ASNB) which operates a number of unit trust schemes, has said that the funds for the mega tower will come from internal resources.

Responding to PNB chief executive officer (CEO) Hamad Kama Piah Che Othman's statement yesterday that PNB will come up with the RM5 billion from its private investment returns, PAS Pokok Sena MP Mahfuz Omar said this could result in lower dividends to ASNB unit trust holders.

"I want to remind him (Hamad Kama) that the total ASNB trust funds stands at RM115 billion. I don't think PNB has higher funds than what the ASNB has accumulated from the community," said Mahfuz.

"I want to stress that this will directly and indirectly involve money from the unit trusts, from the ASNB profits which should be given to the people. "

He pointed out that Kuala Lumpur will not suffer from a shortage of space as Naza TTDI Sdn Bhd is also building a RM15 billion development project which comprises the Matrade Centre, plus offices and residences.

Campaign against 100-storey Warisan Tower

Meanwhile, Pakatan Youth has launched a campaign against the Warisan Merdeka skyscraper firing the government for the billions of ringgit which will "go to waste".

PKR Youth chief Shamsul Iskandar Mohd Akin argued that Kuala Lumpur is already much too congested, with bad traffic jams, flash floods and an inefficient public transportation system due to bad city planning.

In a press conference today, Shamsul said that they will go on a signature drive as part of their strategy to engage public feedback.

Targeting at least 100,000 signatures by the end of this Parliament session which ends in December, Shamsul said that the skyscraper was unnecessary as there are many other buildings such as the Dayabumi office complex which are far from full occupancy.

The Warisan Merdeka project which is expected to cost RM5 billion, will be spearheaded by PNB, and Shamsul raised concerns about their direct involvement.

"PNB's role is to improve investment and take care of the interest of the bumiputeras. The tower is not their priority. In fact it shows the return of Mahathirism in managing the economy through mega projects," he said.

"Even if PNB uses their internal funds without touching the investors money, will the RM5

billion spent be beneficial to the public?" he asked.

It would be of better use if the money is channeled to schools and the health sector," he argued, reiterating the opposition's concern that they will not be able to tackle the widening budget deficit at this rate.

"The country's economy is still weak, however the federal government is not managing the economy smartly but instead wasting public money," he said, adding that the 100,000 signatures collected will be presented to Prime Minister Najib Abdul Razak once it is compiled.

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