

Dr M expresses concern over 100-storey tower, again
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Former prime minister Dr Mahathir Mohamad for the second time this week has expressed concern over the low occupancy rate of high-rise buildings in Kuala Lumpur.

According to him, the problem might impact the banking sector as the situation could bring about long-term debts.

"I am just voicing my concern. I see all over the city, a lot of buildings up for sale or rent. Obviously, these buildings are unoccupied and not earning money. If the developer does not earn from what he has constructed, then he will not be able to repay the bank.

"We have seen this happen in Japan, Hong Kong and in Dubai recently. When you overbuild and cannot earn an income, then you cannot repay the bank, which as a result can go bankrupt.

"So we have to be careful," he told a press conference after launching the International Conference on Sustainable Mobility 2010 here today.

Mahathir was speaking in relation to a recent posting on his blog, where he opined that there was a possibility of the bubble bursting from the overbuilding in Kuala Lumpur.

On the 100-storey Menara Warisan PNB, Mahathir said the project should continue as planned if there were genuine buyers interested in the tower, not mere speculators.

"If there are buyers, it is all right. But my worry is that they are speculators, buying in the hope that the property price will appreciate.

Mahathir has expressed his concern over the new tower on Monday, arguing that it would add to the property glut.

Najib: Tower project to go ahead if viable

Yesterday Prime Minister Najib Razak responded by saying that the construction of the tower would only go ahead if it is commercially viable and provides business opportunities.

Meanwhile, speaking about the conference, Mahathir pointed out it was a perfect platform for researchers and experts in the field to discuss the importance of sustainable mobility and green technologies.

He also highlighted that the time had come for all car manufacturers to realise and utilise the full potential of green technology to the industry.

The three-day conference, which began today, is organised by the SAE International Malaysia Section jointly with Universiti Teknologi Malaysia (UTM).

It is aimed at providing opportunities for participants to exchange ideas, findings, promote knowledge sharing and cooperate in the field of sustainable mobility.

The conference features the Proton Saga electric model, developed in only 11 months by Proton with the cooperation of UTM.

- Bernama

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