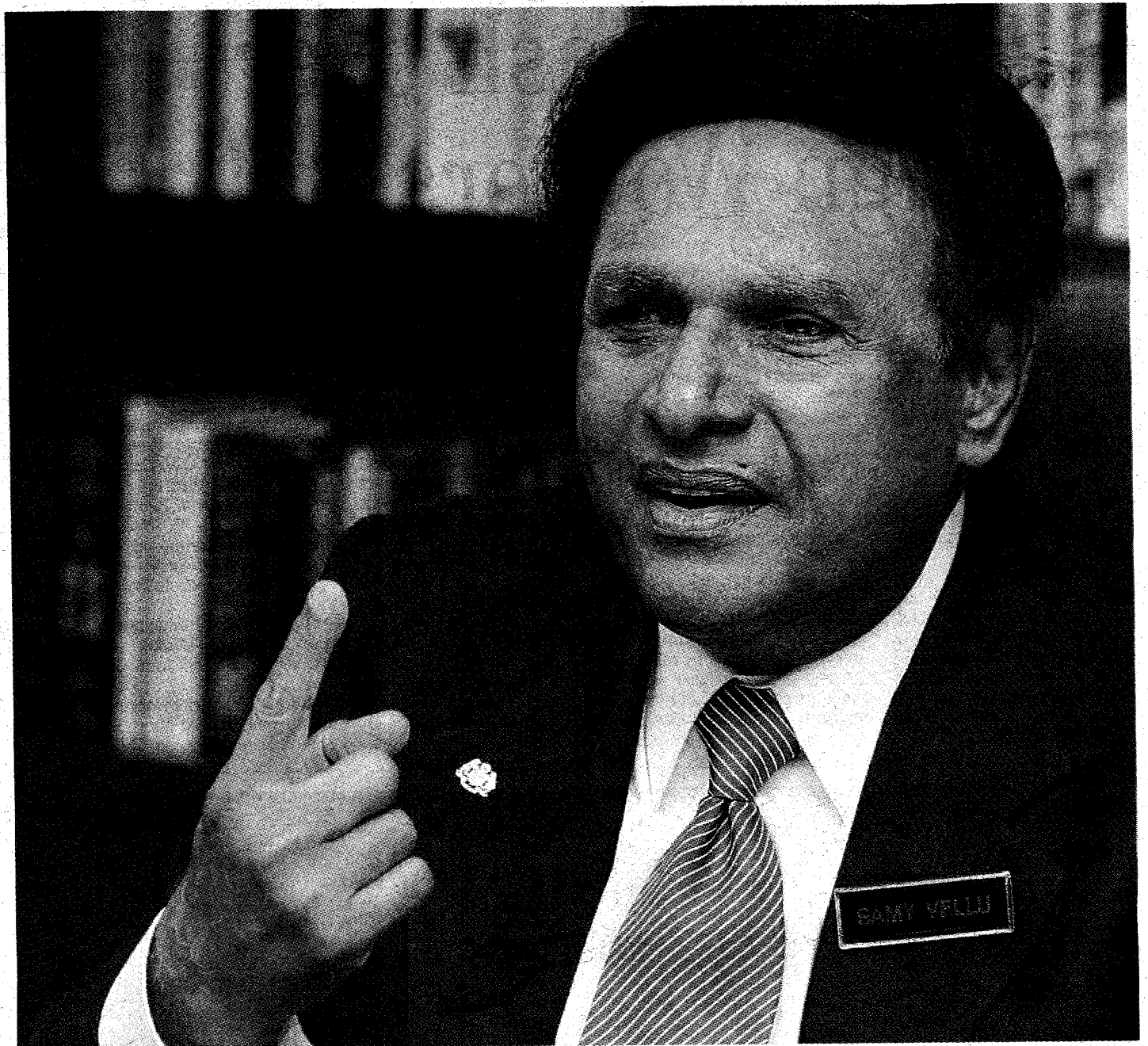


**Works Minister Datuk Seri S. Samy Vellu caught many by surprise with his remark about not being the "bad boy" of tolls. It was unusual for the man who has triumphed over greater challenges to lament. During a 60-minute interview with V. VASUDEVAN and RANJEETHA PAKIAM, the colourful Samy Vellu reveals the reason for the uncharacteristic remark and talks about Dracula, why highway concession agreements are classified under the Official Secrets Act, his critics and the MIC.**



# 21 toll roads and counting...

NS7- 25/2/2007.

**Q:** Your outburst about not being "the bad boy" of tolls took many by surprise. All kinds of allegations have been levelled at you over the years regarding toll hikes, so why did you react that way?

**A:** There's pressure being applied now by the opposition. They were trying to paint a picture that I make all these decisions to bring hardship to road users and the people, which is not true.

I had wanted to say it for a long time, so I did it on that day (Feb 11), because, the previous day, Lim Kit Siang (the Opposition leader) had used a word which was really hurtful.

Lim Kit Siang said I was going for blood. He was indirectly saying I'm a Dracula. Only a Dracula goes for blood. A man and politician of his age and experience should be more cultured when he talks about other people.

**Q:** But it is normal for him as opposition leader to harp on the wrongs in government?

**A:** He has been talking and getting away with it, so he feels that he has the licence to shoot.

Take the Butterworth Outer Ring Road project. His son Lim Guan Eng asked why the cost of the road had shot up from RM470 million to RM700 million. He does not realise that it is a total scheme.

The privatisation part is only RM470 million. But the other part was done by the Public Works Department and it cost RM275 million. He went to Sungai Nyior, Butterworth, and said: "They have swindled the people's money."

The opposition has been saying all sorts of things but I had

kept quiet.

**Q:** What did your Cabinet colleagues say about the 'bad boy' remark?

**A:** (Laughs) They didn't say anything. They were calm about it. My Cabinet colleagues are very reasonable. Every time there is discussion about a toll rise, they will ask many questions. They will want to know why it is being done and whether there are ways to avoid it or reduce it.

**Q:** Has any Cabinet member ever said that this is wrong?

**A:** (Laughs again) No, no, not them.

**Q:** People are confused. Why was there a need to classify the highway concession agreements under the Official Secrets Act?

**A:** Concession agreements are attached to Cabinet papers. Since a Cabinet paper is a classified paper, the attachment also becomes classified. Until we take it out and say this is separate, anything attached to a Cabinet paper automatically becomes classified under the OSA.

**Q:** So it's not a case of you protecting the concessionaire or you simply classifying it as an OSA document?

**A:** No. We are servants of the Cabinet. We execute Cabinet directives. In the process of execution, we often get scolded by many people, especially if it means a fare or price hike.

**Q:** You have no problems with anyone in the opposition or anyone else looking at the concession agreements?

**A:** There is nothing wrong in allowing the people to look at the concession agreements.

I feel that it is better to allow everybody to look at the concession agreement. If they dig and find out something, let them find out. We'll answer their questions.

After the accusations that the government was trying to hide something, I went to the Cabinet three weeks ago and asked them if we could open the concession agreements for public scrutiny.

The prime minister said: "OK. You submit a paper." Then we went to the Attorney-General. He said it was all right. But there is a clause in the agreement that says that if either party wants to make public the agreements, they have to seek permission from each other.

So, I told the Lebuhraya Damansara Puchong management that we were going to let the public view the agreement. They had no objections.

**Q:** How many highway concession agreements are there in Malaysia?

**A:** A total of 21. Several other projects are being built. One is the Putrajaya Expressway (dedicated highway), another is the Duta Expressway, and yet another is the Kuantan-Terengganu (Second East Coast Highway).

The work has not started yet on the West Coast Highway from Taiping to Banting. The Cabinet has approved it, but the EPU (Economic Planning Unit) is still doing some studies.

**Q:** Are you prepared to declassify all 21?

**A:** Yes.

**Q:** How soon do you think the concession agreements can be declassified?

**A:** As soon as I come back (from Syria, as part of the prime minister's delegation). Most probably before the end of March, I will get it to the Cabinet for approval.

**Q:** Do you think your critics will find anything?

**A:** Let them look at the cost. They can also look at the amount of money that has been borrowed. See, you borrow RM1 billion, you pay back RM1.2 billion as interest. So the cost becomes RM2.2 billion. In 15 years, the cost becomes even higher.

**Q:** You think they are going to be disappointed?

**A:** They will be disappointed. In many of the concessions, the government paid for the acquisition of land. Now, we have decided the concessionaire should meet the cost of land acquisition. That means that this will further increase the cost and they will ask for higher tolls to be levied.

**Q:** Why can't the concession agreement be extended to keep the toll down?

**A:** Extend the concession to 30 or 40 years? You cannot do that, the bank will not agree. The lending period for the bank is 10 years, or a maximum of 15 years. They want back the money within that period.

**Q:** People keep asking, how is it that you have privatisation but the government ends up compensating concessionaires? How is the agreement actually worked out? If it is privatisation, shouldn't they be making a profit?

**A:** No. The company, LDP, did not make any money. Originally, LDP started from one point to another but due to traffic congestion, I proposed to the government and to the EPU that we put five interchanges in between for people to enter and exit easily.

That cost more than RM400 million. So the government told the concession company to borrow the money. The concession company borrowed from EPF and built the interchanges, resulting in smoother traffic flow and convenience to the public.

But the critics are saying the company made RM80 million profit. The RM80 million is a paper profit, not a cash profit. And it is what the government compensated the company. Otherwise, there would be no profit at all.

**Q:** Is it true you are working on a new way of tabulating toll figures?

**A:** We are working on some ideas. Say, if it's a 30-year toll period, then perhaps toll rates can be raised once in five or seven years. Now, some of them raise toll rates once in three years. We are thinking of ways to work out the costs. We will talk to the firms and banks about how best to do this.

**Q:** Are you looking to other countries for better methods of doing it?

**A:** We can't go to other countries as they are all very costly. We are cheaper. They'll come to us now. (laughs).

**Q:** Can motorists hope for any highway in the Klang Valley to become toll-free anytime soon?

**A:** Yes. I think the next one to be toll-free is the North Klang Straits Bypass, in 2009. Shapadu is the concessionaire for that stretch.

**Q:** Will the government continue collecting toll after any concession agreement expires?

**A:** No. When the Jalan Kuching and Jalan Pahang concession period was about to end, there were proposals to continue collecting toll, but the Cabinet said no. A promise is a promise.

We have closed the Senai toll, too. We paid RM320 million in compensation. And in Port Dickson, we have asked PLUS to buy over the Seremban-Port Dickson stretch. They call it a 'rugi' (loss) road — in a day you have only 300 cars using it.

**Q:** Coming to the MIC, recently Pas launched an Indian wing to attract Indian voters. Keadilan has brought in businessman Datuk N. Nallakarupan and is making an



effort to shore up its Indian wing. Do you think this will influence the Indians and the community's voting pattern at the next election?

**A:** We have seen this before. Many Opposition parties have launched their Indian wings but eventually they come to nothing.

The MIC has a strong connection with the people. We care for the people because we are with them everyday. Our communication with them is direct.

We have created a new style of political approach. If it is just talking on the platform and walking away, it doesn't amount to anything. On the question of Pas opening up an Indian wing, I am amazed by it.

The Barisan Nasional is so successful because it has made the people think as one, to be together while they live their own cultures.

I don't think any Pas leader has ever openly announced that it will allow others the liberty of having their own culture, their religion. And even if they say: "Yes, we will allow it," they will put a rope around it and start pulling.

**Q:** You don't anticipate any problem from Pas forming an Indian wing?

**A:** No, I don't think the Malaysian Indians will trust them.

**Q:** Do you think the DAP is a problem to the MIC?

**A:** Their group of Indians have reached a certain level of awareness. They know that the DAP is just about six or seven people. No other Indian can come up in the DAP. Karpal Singh is very strong, that's how he has survived. And M. Kulasegaran (Ipoh Barat MP) is trying to catch up with Karpal. Wherever they contest, we know how to deal with them.

**Q:** Last year was a good year for you, you finally got a team where everyone is with you. How is your new deputy doing? Are you happy with him and the team?

**A:** I have a free heart now. I don't have to keep one eye open all the time for fear that the man sleeping beside me will stab me... That is important. They are very obedient, they take directives, they work, do their own planning and carry on with their work, which enhances my own work.

My programme is large. I'll be all over the country doing this and that. These people come and support me at all times and they themselves do a lot of work. Like (deputy MIC president Datuk G.) Palanivel, who does a lot of work on his own. At times, when I need to discuss certain things with them, with one signal and they are there. They will come out with what they have on their minds.

**Q:** You are happiest now as MIC president?

**A:** Yes. (with a big smile)

**Q:** On Thursday, at the Central Working Committee meeting, you talked about the coming general election. How many incumbents are you thinking of replacing?

**A:** I can't tell you that. We have a majority of new fellows, except for a few veterans. I've contested seven times. The rest are two- or three-term representatives. Palanivel has contested since 1990.

**Q:** Some of the state exco members have been around for long. Why is that?

**A:** You see, the veterans work very fast. You tell them to do something, they can get the work done through the state government. The new ones often lack certain things. But generally, all of them co-operate very well.

**Q:** You said you have created a new style of approach with Indians. What is that?

**A:** Our communication with them is direct. Take me for instance. When I switch on my handphone in the mornings, there will be over a hundred calls from people trying to communicate their needs. When I am in the car, I am busy attending to calls and handling problems faced by ordinary people.

For example, husbands running away is a common problem. If a woman is left to fend for herself, she will come to the MIC for help. These are the things that only the MIC can take to the government, can get assistance from the Welfare Department.

We also provide our own assistance. One year, I think we spend nearly RM5 million on the ordinary people. And every Tuesday morning, we open our headquarters and I sit there to listen to them directly.