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Dr M: Ling didn't cheat Cabinet

No one ever complained of any mistake in PKFZ land deal, court hears

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KUALA LUMPUR: Former Prime Minister Tun Dr Mahathir Mohamad told the High Court that ex-Transport Minister Tun Dr Ling Liong Sik did not cheat the Cabinet or the Government over the land price in the Port Klang Free Zone (PKFZ) project.

He said he neither lodged a police report that both he and the Government had been cheated by Dr Ling over the PKFZ land nor did any of his officers ever complained that there was any mistake, omission or material contradiction.

Replying a question by Dr Ling's lead counsel Wong Kian Kheong, Dr Mahathir, 87, who was Prime Minister between 1981 and 2003, said he was interviewed by police officer Supt R. Rajagopal twice.

"I remember that one of the three officers present during the recording of my statement said that if they had interviewed me earlier and heard my remarks, they would not (have) charged Dr Ling," he said, adding that he was only interviewed either late 2011 or early this year while Dr Ling was charged in July 2010.

The Finance Ministry, stressed Dr Mahathir, was responsible for calculating the total cost of the land and the payment method as reflected in the extract of the Cabinet meeting in 2001.

Dr Mahathir also stressed that the Valuation and Property Services Department (JPPH) came under the Finance Ministry's purview and that the Economic Planning Unit set the ceiling or budget for each project, adding that the ministry, as a whole,



Show time: Dr Mahathir and Dr Ling arriving at the Kuala Lumpur Court Complex in Jalan Duta.



was in charge of the total cost of the land procurement.

He told the court that he was very aware of the project and that he had personally visited Jebel Ali twice, adding that he wanted it implemented in Malaysia because he felt it was good for the port and the country.

"We (the Cabinet) were convinced that the project was very good and wanted to get the land as quickly as possible," he said, adding that he did not recall any minister making any serious objection against the project as they all felt keen to have it.

Questioned on the six letters he had received from turnkey contrac-

tor Kuala Dimensi Sdn Bhd, which contained the discussed land price of RM25 and the method of financing via deferred payment, Dr Mahathir said he had discussed this with his officers and none of them had ever informed him that the land price at RM25psf worth RM1.088bil involving a 15-year deferred payment did not comply with that by JPPH.

Dr Mahathir said as Finance Minister and Special Functions Minister then, he was also not in favour of the compulsory land acquisition, adding that normally the Government would only want to acquire land at low valuation.

"The valuation officers wanted to help the Government save money. Well, as a politician, I depend on popularity. I would not want to undervalue the land as this would not make me popular and my status depended on popularity," he said, prompting laughter in the courtroom.

If the price was fairly valued, he added, it would be all right but if it was undervalued, it would not be a popular move.

None of the ministers or his Finance Ministry officers, added Dr Mahathir, had complained to him that the content of a letter by Dr Ling, dated April 3, 2002, (over the

proposal for land acquisition in the PKFZ development) had deceived both him and the Cabinet.

Asked on his understanding over the land price in 2002, he said: "If made in cash, no interest but pay in overtime, got interest. According to Appendix A, payment of 10% is cash while the rest is to be paid in 15 years."

Asked if the RM25psf had included interests, he said: "No, it cannot".

To a question if he had informed Supt Rajagopal that the RM25psf did not include interests, Dr Mahathir said he had indicated to him that "it would be more (interests would have to be added on) if it was to be paid over a long period of time."

"The price mentioned is the cash price. If over time, then we have to add *faedah* (interests)."

Dr Mahathir said he had also sent a letter to Dubai, telling them that the Government was still interested in the PKFZ project although there were encumbrances on the land.

He also denied that the letter was sent at Dr Ling's behest, adding that he was "anxious to get the project", which was modelled after the Jebel Ali Free Zone International and which he had visited twice - once during construction and another after it was completed.

Dr Ling is alleged to have deceived the Government by not revealing to the Cabinet an additional interest rate of 7.5% annually in the RM1.088bil (at RM25psf) purchase of the land for the PKFZ project at the Prime Minister's Office in Putrajaya between Sept 25, 2002 and Nov 6, 2002.

He also claimed trial to two alternative charges of cheating, which carry a lesser penalty.