

Newspaper	The Star
Date	10/10/2012

# 'PKFZ a Cabinet decision'

The Star - 10/10/2012

## Dr M: We were not misled by Ling over purchase of land

By M. MAGESWARI  
mages@thestar.com.my

**KUALA LUMPUR:** Tun Dr Mahathir Mohamad and his Cabinet colleagues did not feel cheated by anyone in the Port Klang Free Zone (PKFZ) deal because it was a collective decision by all of them to purchase the land, the High Court heard.

In his second day testifying as a defence witness, Dr Mahathir also noted that none of the ministers in the Cabinet ever complained to him about the deal nor did any of them object to the price at any time when this was discussed in the Cabinet.

He said any minister could ask on terms of willing buyer willing seller over the land between land buyer Port Klang Authority (PKA) and its seller Kuala Dimensi Sdn Bhd during the Cabinet meeting but no one did so.

"The Cabinet made its decision collectively and unanimously in relation to the PKFZ land," said the 87-year-old former prime minister in the cheating trial of Tun Dr Ling Liong Sik here yesterday.

Questioned by defence counsel Wong Kian Kheong, Dr Mahathir said he was not misled or cheated by the notes cum executive summary by Dr Ling to him on the acquisition of the Pulau Indah land for the mega distribution hub project by PKA.

Dr Mahathir also went on to clarify that even till today, after having had the chance to review all the exhibits, especially the Transport Ministry paper submitted to the Cabinet on Nov 6, 2002, he still maintained that he was not cheated, misled or deceived by Dr Ling.

He added that none of his officers from the Finance Ministry who went through the papers ever complained that the facts in that paper were not true, misleading or omitted material facts.

Dr Mahathir said no minister, who received the notes, had complained to him that the executive summary had cheated or misled them in regard to the PKFZ project and that it was common for Cabinet papers to be accompanied by notes from the ministers.

"But, the Cabinet made its own decision," he said, adding that the Cabinet was not bound by the notes sent by Dr Ling in making the decision over the PKFZ land.

He said he did not lodge any police report stating that he was misled,



**Long-time acquaintance:** Dr Ling greeting Dr Mahathir at the Kuala Lumpur courthouse.

cheated and deceived by the notes over the PKFZ land when he was a prime minister and finance minister.

He said his officers at the Finance Ministry also did not complain to him at any time then or after the event that the content of those notes by Dr Ling were not true, misleading or omitted material facts.

Dr Mahathir also continued with his glowing testimony of Dr Ling, calling him "an honest person and incapable of cheating".

However, his testimony was disrupted by a loud objection raised by lead prosecutor DPP Datuk Tun Abdul Majid Tun Hamzah.

Tun Abdul Majid objected to Dr Ling's lead counsel Wong's line of questioning, asking "How can the ex-PM know if the accused is incapable of cheating the government?"

The prosecutor pointed his fingers towards Dr Ling, saying: "Only he knows."

However, Dr Mahathir smiled and quipped that was a fair question, but added: "I don't think he is capable (of cheating). As far as I know he is an honest person."

Asked by Wong to describe Dr

Ling, Dr Mahathir said: "I know he did a good job as a Minister of Transport especially on the development of Port Klang."

Dr Mahathir, who is a former finance minister and special functions minister, said that he had known Dr Ling for 30 years even before he became a minister.

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.

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

Dr Mahathir said that no Cabinet ministers had complained to him when he chaired its meeting on Nov 6, 2002 that the price of the PKFZ land was too high and that the PKA could not afford its payment.

He also said that the Attorney-General's notes made over the encumbrances on the land were discussed in the Cabinet meeting and it was reflected in its extract of a

Cabinet meeting.

When asked if he had seen the valuation letter from JPPH dated Sept 29, 2000, Dr Mahathir said that he remembered seeing it in one of the papers referred to the Cabinet.

Asked if it was stated in the A-G's notes that the price of RM25psf included interests, he said: "No."

When asked if the price of the land at RM25psf worth RM1.088bil included total interests for 15 years, he said: "No, it is a cash price. It does not include interest for 15 years."

He said his special adviser Tan Sri Ali Abul Hassan Sulaiman also did not complain that Dr Ling had cheated or misled him (Ali) in respect to the purchase of the PKFZ land.

Asked if Ali had given him a written report that this project by purchase was economically viable, he said: "Normally, it will be in a written report. I believe it was a written report."

He said that Ali had been tasked by the Cabinet to conduct a study to determine if the PKFZ project was viable and that study found that the project on willing buyer willing seller basis was indeed viable.