

'HIGHER EXPENSES'

# PM: Govt has to spend more if it takes over toll concessions

**PUTRAJAYA:** The government's expenses will be "considerably higher" if it decides to take over the country's toll concessions, said Prime Minister Tun Dr Mahathir Mohamad.

Citing an example of Putrajaya taking over PLUS Malaysia Bhd's (PLUS) highway (the North-South Expressway) operations, Dr Mahathir said the government would have to spend up to RM30 billion on that alone.

"We might as well use the RM30 billion to pay off our debt to ease our burden.

"There are suggestions by the private sector to reduce tolls by taking over toll concessions, but it is not even up to 25 per cent (of reduction)," he said after chairing the yearly National Finance Council meeting at the Finance Ministry here yesterday.

Dr Mahathir was responding to Council of Eminent Persons chairman Tun Daim Zainuddin's statement that the government should focus on affordable housing, costs of essential goods and the reduction of toll rates.

However, he said, the govern-

ment had yet to decide on the issue despite the suggestions made by several quarters.

"It is true the people will be relieved if toll rates are reduced, but the government will not feel good because it would have to fork out money."

On the Malaysian Bumiputera Contractors Association's request for a 20 per cent quota allocated for Bumiputera contractors in the East Coast Rail Link (ECRL) project, Dr Mahathir said the government had yet to decide on it.

"We have decided that local companies should be given the opportunity, but whether it (how many per cent) will be given to Bumiputera contractors or non-Bumiputeras, that has yet to be decided."

On April 15, Dr Mahathir said the involvement of Malaysia in civil works for the ECRL project would be increased to 40 per cent following the signing of a supplementary agreement between Malaysia Rail Link Sdn.Bhd and China Communications Construction Company Ltd on April 12.

Daim, who is the prime minister's special envoy to renegotiate the ECRL project with the Chinese government, had previously said Bumiputera and local contractors should seize opportunities in the mega project's supply and technical sectors.

The ECRL project, initiated by the previous Barisan Nasional government, was suspended last year by the Pakatan Harapan government due to its high cost.

It has resumed construction and will involve a new alignment with lower cost.