

# 'Toll abolition not possible'

## Dr M: It requires govt buyout which we can't afford

HIGHWAY tolls cannot be abolished immediately because studies show that it requires a government buyout, says Prime Minister Tun Dr Mahathir Mohamad.

He said that the government will be forced to spend tens of billions of ringgit to take over tolled highways immediately and additional costs for maintenance will require a few more billion ringgit.

The government, he said, had been saddled with the trillion-ringgit debt inherited from the previous administration and it requires billions of ringgit per month for the repayment of principal debt and interest.

"And when this is paid, government funds will be insufficient for important infrastructure development if the government takes over and maintains highways.

"The government cannot afford projects requested by the people if it is burdened with highway maintenance," he said in a statement yesterday.

"But the lowering of toll charges can be done. If there are (players) from the private sector that will reduce the toll rates, their suggestions can be considered."

Explaining his recent statement that Pakatan Harapan never promised to abolish tolls, Dr Mahathir said he referred to the manifesto that said tolls would be abolished in stages.

Promise 6 of the manifesto entitled "Abolish Tolls" contains the sentences: "The Pakatan Harapan Government will review all highway concession agreements. We will renegotiate to obtain the best value for money for the people so that we can take over the concessions with the ultimate view of abolishing tolls gradually".

Dr Mahathir said companies awarded with toll concessions by the government could enjoy profits.

"But the truth is, not all concessionaires get profit. This is because of the huge amount of funds required to maintain the highways," he said.

When met by the media at the Parliament lobby, Dr Mahathir said the government would study any proposal to acquire PLUS Malaysia Bhd.

"If it's suitable with our demands, we will



**Having the floor:** Dr Mahathir answering questions at Parliament. Also present is Deputy Prime Minister Datuk Seri Dr Wan Azizah Wan Ismail and other MPs. — Bernama

entertain them," he added.

Dr Mahathir was responding to Malaysian-led Hong Kong-based private equity firm RRJ Capital, which was reported to have laid out a revised proposal to the government to acquire PLUS for RM3.5bil.

The firm seeks to offer toll discounts of up to 30% based on new cars' price tag as well as demolishing tollbooths to alleviate traffic congestion.

Asked if the sale of PLUS could affect government coffers, Dr Mahathir said a task force has been formed to monitor the issue of debts and its repayment.

Last September, Dr Mahathir said Khazanah Nasional Bhd will sell its assets which are "not useful" to pay off its debts.

However, on Oct 6, Khazanah managing director Datuk Shahril Riza Ridzuan said it

has no intention of selling its strategic assets to any party, adding that the group had rejected all takeover offers for PLUS Malaysia Bhd.

PLUS Malaysia is 51% owned by engineering infrastructure and services firm UEM Group Bhd, which is a wholly-owned subsidiary of Khazanah.

The Employees Provident Fund (EPF) owns the remaining stake.

Khazanah had previously said that it was up to the government to decide on any such proposal.

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