

Liong Sik: Dr M kept 'fully involved' in PKFZ project
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By Clara Chooi

KUALA LUMPUR, July 13 — Tun Dr Mahathir Mohamad was kept “fully involved” throughout the entire conception process of the Port Klang Free Zone (PKFZ) project, Tun Dr Ling Liong Sik said today as he took the witness stand for the first time to defend himself against charges of cheating the government.

“The PM was kept fully involved in everything I did. He (Dr Mahathir) was so kind... he knew I was onto something good so I could fly overseas anytime.

“Because when I have meetings with shipping agencies abroad, I cannot wait for Cabinet to approve my leave so he would let me go,” he told the High Court when asked to explain how the idea for PKFZ had come about.

“In any government, if the PM supports you, three-quarters of the battle is won... and he (Dr Mahathir) was so supportive,” he added.

Speaking in a soft, halting voice, the former transport minister launched into a lengthy tale behind the conception of the PKFZ, which he said was mooted to save the country’s busiest port from further decline and to lift it to become one of the world’s top 10 ports.

Dr Ling, who served the ministry for 17 years, said Port Klang was not even ranked during his early years in the ministry although unofficial rankings had then placed it at 57th in the world.

“This is a story that needs to be told,” he said. “Any transport minister in the world would want to see their country with a good transport system. If the roads are bad, the economy collapses. If railways are non-existent and not on time, the economy collapses on that.

“If 98 per cent of goods are trapped at ports, then the economy collapses. Therefore, ports are the most important component of any economy.

“So when I first became transport minister, these were the things that I was looking at and I was really lucky that we had Dr Mahathir as our leader,” he said.

Dr Ling said the government had appointed the global management consulting firm Boston Consultancy Group to study how Port Klang could be improved and it was agreed that upgrades were needed to help attract more ships into its waterway.

He said Malaysia was losing out to its regional partners in Singapore, Hong Kong and even Thailand and “becoming worse and worse”.

Several visits to ports abroad followed, Dr Ling explained, until he came to Dubai’s Jebel Ali Port, the largest in the Middle East, and the idea of PKFZ was born.

"I saw it as a new model that we can have... instead of just fast handling and fast training for workers, lets use it (the port) to manufacture (goods) for the whole Asean region," he said.

Dr Ling said that after he informed Dr Mahathir of the idea, the Cabinet began to take interest.

"Once Dr Mahathir is interested, the whole Cabinet must be interested," he said, drawing laughter from the courtroom.

Earlier, Dr Ling told the court that any decision made in Cabinet is by way of consensus but could later be revisited for further discussion if objections are made.

He added that on March 1999, Cabinet decided to purchase a plot of land from turnkey developer Kuala Dimensi Sdn Bhd (KDSB) sited close to Port Klang, but said the financing aspects of the acquisition were left up to government valuers and the Treasury.

Dr Ling later told the courtroom that he had previously been called forward to testify before Parliament's Public Accounts Committee (PAC) regarding PKFZ but did so without sighting any documentation to help him refresh his memory.

He pointed out that this was because after leaving government in 2003, he no longer had access to the documents as they were classified under the Official Secrets Act (OSA).

"These are OSA (documents) so I cannot take them and go home," he said.

But he said that the PAC had only made "positive remarks" of him following their meeting and at no time "during the meeting, after the meeting or in the press" did the committee indicate that its findings were critical of his role in the PKFZ project.

Dr Ling is facing the possibility of a seven-year jail term, or fine, or both, for allegedly deceiving the Cabinet into approving land purchase for the PKFZ project, which had resulted in wrongful losses for the government.

He also faces two alternative charges of deceiving the Cabinet into believing that the terms of purchase — at RM25 psf and 7.5 per cent interest — were acknowledged and agreed to by the Valuation and Property Services Department (JPPH) despite knowing that there was no such agreement.

The trial before Justice Datuk Ahmadi Asnawi continues on Monday.

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