

BN component parties demand answers on 1MDB-Tabung Haji land deal

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The Lembaga Tabung Haji-1Malaysia Development Berhad (1MDB) controversy is far from over, Barisan Nasional component parties said today, despite the pilgrim's fund's pledge to sell off the plot of land it bought from the debt-ridden state investment fund last month.

MIC, MCA and Gerakan leaders said that the public still deserved answers on how Tabung Haji, a savings funds for Muslims to perform their haj in Mecca, came to purchase the land for RM188.5 million from 1MDB, whose RM42 billion debt is a well-known fact.

MCA deputy president Datuk Dr Wee Ka Siong said that the land deal had not even been discussed in the Cabinet meeting, as it falls under Tabung Haji's jurisdiction, and that he had only learned of it through the media.

"The recent purported land deal between Tabung Haji and 1MDB has been controversial as it puts in question our principles of good governance and transparency," said the minister in the Prime Minister's Department on Twitter.

Wee said it was wiser for Tabung Haji to consider other investment prospects instead of getting embroiled into 1MDB's controversy.

"Both 1MDB and Tabung Haji's board of directors should answer all queries raised by the public especially the depositors in the interest of transparency and good governance."

MIC vice-president Datuk S Sothinathan told The Malaysian Insider that there had been a lot of confusion among the public over the entire deal, and a proper explanation was needed.

"We cannot come to a conclusion yet whether it was wrong, but a lot of issues have been raised, there's confusion, and in the interest of the public it has to be clarified," he said.

He added that if any wrongdoing was found, the perpetrators should be brought to book so that the country could put the matter to rest once and for all.

"There are many questions that has not been answered and it involves the use of public money. It involves the nation's finances, so it warrants a quick, thorough explanation.

"Every moment delayed is detrimental to the country and to the leadership," said

Sothinathan.

Gerakan Youth chief Tan Keng Liang said that Tabung Haji's decision to sell the land it bought from 1MDB was only a temporary solution to public concern over the matter.

"The crux of the issue is 1MDB and the lack of transparency over its dealings and management," he said in a statement.

"In order to regain public trust, 1MDB should disclose all material dealings immediately when the transaction is concluded. This should also include an annual audited report to its financial health by an independent auditor."

Tan said 1MDB should not wait for the opposition or any whistle-blower to expose any dealings, because by then it would be too late for the state investment firm or the government to explain the matter and restore the public's confidence.

"I agree that it is not a standard operating procedure for non-listed government-linked companies to disclose their transactions to the public at large for various reasons. More so for a wholly-owned subsidiary like 1MDB.

"However, in the case of 1MDB, such public disclosure is required if the government is serious about regaining public trust on issues concerning 1MDB. Gerakan Youth hope that the government would consider this as a long term measure to improve public trust on 1MDB."

Tabung Haji's purchase of the plot of land from 1MDB for the purpose of building a residential tower has created uproar among its depositors, some of whom withdrew their savings at its branch in Shah Alam on Thursday.

Opposition politicians were quick to note that Tabung Haji was paying far more per square feet (psf) than what 1MDB paid at RM64 psf, when it first bought the land from the government, leading some to call the deal a "bailout" given 1MDB's massive debts.

Umno leaders, the most senior being Deputy Prime Minister Tan Sri Muhyiddin Yassin, have also criticised the deal. Reports also said that Tabung Haji's risk management committee had also mentioned that the purchase was a high-risk one.

Umno Youth chief and Youth and Sports Minister Khairy Jamaluddin also issued a statement pressing for answers to several questions, such as what 1MDB intended to use the money received from the sale of the land for, and about conflict of interest given that a few of Tabung Haji's top officials also held positions in 1MDB.

Party vice-president and Defence Minister Datuk Seri Hishammuddin Hussein also joined the chorus, calling for a new international auditor to do a forensic check on 1MDB's accounts.

Yesterday, the fund announced it was selling the land it purchased from 1MDB,

following public outcry over the transaction.

Tabung Haji chairman Datuk Seri Abdul Azeez Abdul Rahim said Najib had advised him to dispose of the land so that the fund's reputation is not "tarnished" due to its business transaction with 1MDB, and in order to respect the "sensitivity" of the depositors. – May 10, 2015.

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