

Highways stimulate economy, not ECRL, says Mahathir

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Former prime minister continues attacks on controversial East Coast Rail Link (ECRL), and calls for higher corporate tax to replace GST.

SHAH ALAM: Former Prime Minister Dr Mahathir Mohamad took another swipe at the East Coast Rail Link (ECRL) saying there was little benefit to be derived from the RM55 billion project.

Speaking at a dialogue here, Mahathir pointed out that highways stimulated the economy, something which would prove to be an uphill task for the ECRL project.

The Parti Pribumi Bersatu Malaysia (PPBM) chairman went on to cite the North-South Expressway (PLUS) as an example, pointing out that one could see development along the route, including new townships, industrial parks and housing projects.

“But if you borrow RM55 billion for a train with no passengers, it would be difficult,” he said referring to the soft loan provided by China for the rail line connecting Tumpat in northern Kelantan with Gombak in Kuala Lumpur.

The four-hour journey will have multiple stops in Kelantan, Terengganu and Pahang.

Prior to this Mahathir had claimed that the project would increase the country’s debts considerably as well as would benefit businesses from China instead of Malaysians, with the main contractor being China Communications Construction Company (CCCC).

Prime Minister Najib Razak has since claimed that the ECRL would boost the economy of the three east coast states and “would change our lifestyle”.

“Each time the public plans to go to other states by driving, it will take them up to eight hours, but with ECRL they will be able to save more time,” Najib was quoted as saying.

On a separate matter, Mahathir suggested that the government should have a corporate tax to generate revenue instead of doing so via the GST, which was implemented two years ago.

The nonagenarian, who was at the helm when the nation endured two financial crisis, said that previously the government didn’t need to “squeeze” the people for money when it implemented the sales and services tax.

“But now many companies and banks are profiting, some up to RM2 billion. Why squeeze the people? Take the money from the banks lah,” he said when asked to comment on Pakatan Harapan’s economic policies.

Mahathir, who was recently named as a “special adviser” to the coalition’s pro-tem committee along with Dr Wan Azizah Wan Ismail, also said he still had a lot of ideas for the country’s economy.

He recalled the time when he was PM, the economy was not doing too well, but it subsequently improved.

“So I hope that PH won’t reject me like Najib and Abdullah Ahmad Badawi,” he said, referring to his successors.

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