

Repeatedly deceived over KLIA2 cost scandal
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MP SPEAKS For the past three years, the transport ministers as well as the top management of Malaysia Airports Holdings Bhd (MAHB) have repeatedly lied to Malaysians about the opening dates for KLIA2. The date has been moved at least five times from September 2011 to the current deadline of May 2, 2014.

Despite the due date being just 30 days away, there is still no certainty if KLIA2 can actually be effectively operational, despite the bravado displayed by the acting minister, Hishammuddin Hussein, and his deputy, Abdul Aziz Kaprawi.

However, the biggest lie by both the ministers and MAHB is the repeated claim that the cost of the “low-cost” airport would not exceed RM4 billion.

The initial budget for the airport when it was first announced by Ong Tee Keat, the then-transport minister, in July 2007 was only RM1.7 billion. (*Berita Harian*, July 22, 2007)

The budget was subsequently increased to RM2.0 billion in March 2009 (*The Star*, March 10, 2009), and then RM2.5 billion in October 2010 (*Business Times*, Oct 30, 2010).

MAHB then shocked Malaysians by disclosing that the cost of the new airport has ballooned to RM3.9 billion due to cost overruns in November 2011.

AirAsia Group CEO Tony Fernandes had tweeted that the cost of KLIA2 has ballooned to RM5 billion in July 2012, a claim which was immediately denied by the authorities.

In October 2012, we were told in Parliament by the then-deputy transport minister, Abdul Rahim Bakri, that the cost had increased to RM4 billion. The current Transport Minister, Hishammuddin, reiterated in August 2013 that the cost will not exceed the RM4 billion figure.

On Feb 9 this year, Abdul Aziz, who was heading the Special Cabinet Taskforce on KLIA2, again confirmed that the cost of the airport will not cost more than RM4 billion, despite the overwhelming scepticism expressed by the industry.

Increase due to ‘other unforeseen matters’?

Hence it did not come as too much of a surprise when the deputy transport minister himself finally admitted to *The Edge Financial Daily* that the cost of KLIA2 airport will cost more than RM4 billion. He attributed the additional cost to a change in job scope and “other unforeseen matters”. However, he did not confirm the exact quantum of increase in cost, but it is clearly expected to be significant.

Malaysians can no longer tolerate being repeatedly deceived by ministers and the top management of government-linked companies (GLCs), which are entrusted with our taxpayers' money. MAHB, in particular, has clearly demonstrated complete incompetence, and has attempted to hide such incompetence and mismanagement using outright lies and deception.

There can no longer be any excuse for the prime minister not to act firmly against the top management of MAHB, or even his transport ministers for failing to check on MAHB's intransigence.

Most importantly, the contract for KLIA2, that has been extended twice since its cost was confirmed to have ballooned to RM4 billion, must be terminated immediately. Heads must roll, or the entire Najib administration will be responsible for perhaps a revised RM5 billion "low-cost" KLIA2 scandal and to send a message to all GLCs that he will not tolerate incompetence and gross mismanagement.

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