

## **Compensation amount not huge compared to debt if govt continues ECRL- PM**

**BERNAMA**

**29/01/2019**

PUTRAJAYA, Jan 29 (Bernama) – The amount of compensation the government needs to pay if it decides to cancel the RM81 billion East Coast Rail Link (ECRL) is not as huge in comparison to the debt should it decide to continue with it, said Prime Minister Tun Dr Mahathir Mohamad.

The government according to him, would be saddled with huge debts over the next 30 years if it continue the mega-rail project.

"The huge compensation is not as huge of the amount we will carry the next 30 years," he said when asked if the government would need to pay a huge compensation if it decide to terminate the RM81 billion ECRL project.

Dr Mahathir was speaking to reporters after launching the National Anti-Corruption Plan (NACP) 2019-2023 at the Putrajaya International Convention Centre (PICC) here today.

"We are burdened with very heavy debts. We just cannot pay. So we have to cut back on some of the expenditure incurred by the previous government. It is not because we don't want to honour our contracts, but we just cannot pay because these contracts may cost us more than RM100 billion and it will impoverish us.

"We seem to understand of the parties concern, it is not we want to frustrate or throw out contracts. We are really tight in terms of finance," explained the Prime Minister.

Asked on the government's decision over the fate of the project, Dr Mahathir said the Finance Minister Lim Guan Eng would give clear a explanation on the matter.

Responding to a question regarding contradictory statements made by ministers about the status of the ECRL project, the Prime Minister said: "Some mistakes are made and will be correcting the mistakes. We seek your understanding."

Last Saturday, the Economic Affairs Minister Datuk Seri Mohamed Azmin Ali had announced the cancellation of the RM81bil project, but Lim when asked by the media said the Cabinet would make an official announcement on the China-backed project this week.

China Communications Construction Co Ltd (CCCC) is the main contractor for mega-rail project.

-- BERNAMA

© 2018 BERNAMA. All Rights Reserved. [Disclaimer](#) | [Privacy Policy](#) | [Security Policy](#)

Source: <http://www.bernama.com/en/news.php?id=1689784>