

PAC seeks Pak Lah's help in probe

The Star - 13/10/2006

KUALA LUMPUR: The Public Accounts Committee (PAC), which is probing the merger of Government-owned securities firm Avenue Capital Resources Bhd and ECM Libra Bhd, will write to Datuk Seri Abdullah Ahmad Badawi to seek the testimony of the Second Finance Minister or a Deputy Finance Minister.

PAC chairman Datuk Shahrir Abdul Samad said ministers and government officials need not fear testifying as they were guaranteed immunity under the Federal Constitution.

"I understand the concern of government officers in fearing to step forward. Since the reasons of contempt of court and *sub judice* have been cited by the people that we want to call up, we will ask the Prime Minister to intervene," he said after chairing the PAC meeting on the merger yesterday.

"Furthermore, the session is conducted behind closed doors; it is not being discussed in Parliament. Witnesses don't have to worry about legal repercussions."

Shahrir was reported to have said that the PAC would summon Tan Sri Nor Mohamed Yacop to an inquiry

if the ministry failed to submit a written legal opinion on why the merger between ECM Libra and Avenue Capital Resources should not be the subject of an inquiry.

Early this year, ECM Libra Capital entered into a merger with Avenue Capital Resources, a securities firm owned by the Minister of Finance Inc, to become ECM Libra Avenue.

During the Aug 25 PAC inquiry, Finance Ministry officials declined to comment on the merger, saying it was *sub judice* to do so.

Shahrir explained that the PAC was not interested in who was involved in the merger, only in how the Government carried out the processes of its investments and whether the decision for the merger was a unanimous Cabinet decision.

"We have to put a parameter on how the Government should conduct itself in investing in private companies," he added.

On the possibility of lawyer Matthias Chang citing the PAC for contempt of court, he said: "The procedures (in the PAC probe) had never been tested before."

"If he wants to go ahead with his suit, we will see him in court."