

# Kenyir dam plans: SEDC gets deadline

**By Azman Ahmad  
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**KUALA TERENGGANU, Mon.** — Datuk Seri Dr Mahathir Mohamad has given the Terengganu State Economic Development Corporation one month to present him with a full report on new development projects for the Kenyir dam area.

The Prime Minister also directed the SEDC to start building its first hotel in the area as soon as possible.

Both directives were given during Dr Mahathir's two-hour visit to the Kenyir dam area in Hulu Terengganu, about 60km from here, today. Speaking to reporters after the visit, he said:

"I am not satisfied with the present development in

Kenyir. The Federal Government has allocated \$2 million in 1987 to clear the rotting trees in the lake, but the job was only carried out three years later."

He said the delay had resulted in a higher cost to clear the area.

"If the trees were cut down in 1987, the State Government could rake in substantial revenue from the tourism industry in Kenyir," he said.

Asked what kind of development he would like to see in the area, the Prime Minister said: "I want to see this place turned into a holiday resort. There is a big potential for tourism here.

"But the tourists will only come if there are facilities like hotels, golf course, boating, fishing and water sports facilities."

It is learnt that work to clear the dam area of rotting trees only started in September last year and was completed on Feb 7, this year.

The \$2.62-million contract for the job was awarded to Perusahaan Kayu Mizan Sdn Bhd. A total of 5,500 trees were cut down at 130 metres below water level.

In addition, 150 navigational buoys costing \$450 each were also installed at various spots in the Kenyir lake.

It is estimated that more than 800,000 dead trees are scattered all over the 36,900ha dam. Getting rid of the dead trees is estimated to cost more than \$200 million.

Dr Mahathir said he would not entertain any

more requests for financial allocations to clear the dam area, but had instead directed Tenaga Nasional Berhad to undertake the task.

He said that paying a local contractor \$400 to cut down a tree was too exorbitant.

"We will cut the trees ourselves without using any sophisticated machines."

The Prime Minister also suggested ways to improve the present jetty as a cost-effective measure.

So far, the SEDC has spent \$1.8 million to build a jetty in Sungai Gawi, a 2.5km access road to the dam and also a few chalets on the mainland for tourists.

Dr Mahathir then proceeded to Kemaman where he visited the Perwaja

Steelmill Co-operative's supermarket.

He also expressed satisfaction at the way the supermarket was being run.

The plant's managing director, Tan Sri Eric Chia, who accompanied Dr Mahathir, said the co-operative was set up in April last year for the benefit of the workers.

He said it was built at the cost of \$1.5 million and with a capital of \$300,000, of which \$100,00 was from workers' contributions.

Earlier, Tan Sri Chia gave a two-hour closed-door briefing to Dr Mahathir on the Perwaja's performance.

Dr Mahathir will tour the plant tomorrow and have lunch with the workers before returning to Kuala Lumpur.