

# Only vital projects will be carried out under SMP

NSI 16 JUL 1992

KUALA TERENGGANU, Tues. — The Government will be more cautious in its spending on development projects as the allocation requested under the Sixth Malaysia Plan for such projects had breached its ceiling.

Prime Minister ~~Datuk Seri Dr Mahathir~~ said today that only specific and important infrastructure projects would be given priority such as the construction of ports, airports, railway and education facilities.

"Because we have breached the allocation under the Sixth Malaysia Plan, we will spend only if necessary," he told reporters after a briefing by Menteri Besar Tan Sri Wan Mokhtar Ahmad to Cabinet Ministers on the progress of development projects in Terengganu.

The Prime Minister said that the private sector would have to undertake some of the development projects where the Government could not bear the

costs of its implementation.

In this respect, he said the Federal Government would consider the Terengganu Government's request for \$34 million to expand the terminal and extend the runway of the Sultan Mahmud Airport.

On the overall development in Terengganu, Dr Mahathir said he was satisfied with the way the State had spent its oil and gas royalties to develop basic infrastructure requirements, including roads, health and educational facilities.

"The State had spent a lot of money, and I hope the people of Terengganu are aware of it," he added.

On whether one of the islands in the East coast could enjoy free-port status like Langkawi, Dr Mahathir said the geography of the island between the west and east coast were different.

"The islands in the East coast do not have big land mass and are generally

mountainous, and developing them will incur heavy expenditure. Moreover, the islands do not have adequate water supply and will need desalination facilities," he said, adding that it would be too expensive to pipe water from the mainland.

"East coast islands are more suitable for the tourism industry because they have beautiful natural surroundings and other attractions such as coral reefs."

Dr Mahathir also criticised non-Governmental organisations, especially the environmental groups for their attacks on various development projects which were aimed at stifling the growth of a developing countries like Malaysia.

"They want the environment and the people to remain as they were. This means that the environmentalist groups want the people to continue to be in poverty for as long as possible."