

CNS5582

U GE 14-08 00180 EA421

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LOOKING INTO REDUCING PORT CHARGES

Mahathir - port

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ALOR SETAR, Aug 14<sup>32</sup> (Bernama) -- The government will consider reducing port charges if this can contribute to more effective development of industries, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

The government was prepared to consider the matter even if the reduction of charges would cut down on profits of the ports, he told reporters after a visit to the Perwaja Steel Rolling Mill in Gurun.

At a briefing for the prime minister, Perwaja Steel Sdn Bhd Managing Director Tan Sri Eric Chia had asked the government to reduce port charges.

In his briefing, Chia said the cost of transporting billets from Kemaman, Terengganu, to Gurun by lorry was about \$67 a tonne compared with about \$120 a tonne by sea, the latter being higher because of port charges of between \$7 and \$8 a tonne.

On the project, Dr Mahathir said he was satisfied because it was implemented in a short time. -- more

▼14/08/16-27MST

CNS5592

U GE 14-08 00125 EA422

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Mahathir - port 2 Alor Setar

He said the proposal to build the mill was made two years ago and construction, which began at the end of last year, had almost been completed by the middle of this year. The mill was expected to begin operations in January next year.

+Therefore, this can be said to be a record. The office building was also completed in 35 days,+ he said.

Dr Mahathir said he believed that the mill would become the nucleus for heavy industries which would use the raw material from the mill.

He said the mill had potential for growth and to attract other heavy industries, possibly petro-chemical industries. -- more

▼14/08/16-46MST

CNS5605

U GE 14-08 00134 EA423

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Mahathir - port 3 Alor Setar

Dr Mahathir said although Gurun would become a centre for heavy industries, the industrial activity there was expected to be more inclined towards downstream industries.

He also said that Perwaja planned to set up a metallurgical institute to enhance the people's understanding of the uses of metals.

On the fears of the people in the vicinity of the mill on the possibility of environmental pollution, he said: +If we want our country to be rich, we have to experience some pollution but we will reduce pollution as much as we can.+

He said the people must accept the fact that Malaysia was still a poor country and they must choose between development or otherwise. -- more

▼14/08/17-01MST

CNS5611

U GE 14-08 00091 EA424

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Mahathir - port 4 (last) Alor Setar

+If we keep to our traditional ways of planting padi and tapping rubber, we will not earn much income.

+I feel the people here (in Gurun) are used to not so fresh air, for example, the rubber factory produces foul odour but there are no complaints,+ he said.

Kedah Menteri Besar Tan Sri Haji Osman Aroff was among those who accompanied Dr Mahathir on the visit, which took about two hours. -- Bernama

▼14/08/17-05MST