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Mahathir-tourism

A NEW DUTY-FREE ZONE FOR BUKIT KAYU HITAM

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ALOR SETAR, May 3 (Bernama) -- A new duty-free zone, spread over 100 hectares, will be developed by the end of next year in Bukit Kayu Hitam, 48 km north of here, to draw more tourists to the country. (P)

Prime Minister Datuk Seri Dr Mahathir Mohamad said today there would be shops, hotels, chalets and a golf course in the zone, which would be adjacent to the existing duty-free zone.

The project, to be developed by the private sector, was expected to cost more than RM30 million, he told reporters after a meeting with Kedah state executive councillors and senior government officers at Wisma Darul Aman here.

He said foreign tourists could buy duty-free goods at the zone but the local people would be taxed if they brought any product out.

Dr Mahathir also said that state governments should improve the approach to development in their efforts to draw more foreign investment to their respective states. -- more

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He said the approach should cover all fields, including how they could compete for the limited investment so as not to be left out.

"It is not that the present approach is not effective...it is effective but can be improved," he said.

Asked whether it was necessary for the federal government to provide additional financial allocation to Kedah for its development projects, Dr Mahathir said the allocation for the state was adequate.

He said that though the federal government did not have much funds to help the state governments, it would continue to help because it was strong.

The federal government would provide assistance for several projects considered important for development in Kedah such as the high-technology park in Kulim, tourism projects in Langkawi and development of the Malaysia-Thailand border area.

Dr Mahathir and his wife, Datuk Seri Datin Paduka Dr Siti Hasmah Mohamad Ali, returned to Kuala Lumpur this evening. -- Bernama

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