

PM: Part of money for RM20b administrative centre

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burden

By Farush Khan

KUALA LUMPUR, Thurs. — The RM20 billion Putrajaya administrative centre project in Sepang, Selangor, to be occupied by 250,000 staff by the year 2008 will not burden the country financially, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said this was because the Government would use "certain financing methods" for its development, without having to solely rely on its financial resources.

"Part of the money is already available as a number of government building projects planned for Kuala Lumpur have been postponed for construction in the new administrative centre."

Dr Mahathir was speaking at an agreement signing ceremony between the Federal Government and the Selangor Government at the Prime Minister's Department on the establishment of the centre.

Dr Mahathir and Chief Secretary to the Government Tan Sri Ahmad Sarji Abdul Hamid signed for the Federal Government while Menteri Besar Tan Sri Muhammad Muhammad Taib and State Secretary Datuk Tik Mustafa represented the State Government.

local authority to ensure that Putrajaya, 25km from here and 8km from Sepang, is developed in line with the Government's aspiration to make it the ultimate city and achieve the objectives of Vision 2020.

Dr Mahathir said the project was a big investment by the Federal Government and would bring a lot of benefits to the place, now known as Perang Besar, and its surrounding areas.

"Together with the KL International Airport in Sepang, it will bring rapid development to this isolated region. Even today, the residents nearby are enjoying a lot of benefits," he said.

On its name, Dr Mahathir said as the centre would be part of the nation's capital, the Government felt it would be appropriate to relate it to the history of the country.

Putrajaya is named after the Father of Independence and the nation's first Prime Minister, the late Tunku Abdul Rahman Putra.

The agreement will enable Putrajaya to be turned into a local authority area and the Federal Government's new administrative centre.

The mammoth project will be developed in two phases. The first, estimated to cost RM8.5 billion, will start at a 2,543ha site next

Government says thanks to Selangor for its co-operation

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langor for giving his consent to the signing of the agreement.

"The Federal Government would like to thank the Selangor Government and the people of the State for their co-operation and willingness to share the various benefits that will emerge from the signing of the agreement and with Putrajaya coming into being."

Dr Mahathir described today's agreement as a "historic moment" and that it would realise the development of Putrajaya as one of the highlights of the country's achievements in the 21st century.

He added that it was in line with the Government's efforts towards achieving Vision 2020.

Explaining the circumstances that led to the Cabinet's decision to establish Putrajaya in 1993, he said being the biggest commercial centre in Malaysia, Kuala Lumpur had to continue competing with the capitals of neighbouring countries to attract more major trading companies to set up their regional headquarters here.

"As Kuala Lumpur, as a Federal Territory, has limited space, it is difficult for it to expand to give place and comfort to the rapidly increasing commercial activities.

"The quality of life in Kuala Lumpur will also decline if it becomes too cramped with buildings and vehicles.

"The Government feels the focus on Kuala Lumpur by giant companies is also important if it were to get recognition from the rest of the world as one of Asia's leading commercial cities."

He said Putrajaya was also proposed based on the realisation that the Federal Government offices were scattered all over Kuala Lumpur, with many of them being rented from the private sector.

"As a result, ministries, for example, are forced to share space with other tenants. In view of the sensitivity of government business, this situation is not really good."

He said Perang Besar (covered with rubber estates) was preferred to several other places in Selangor, Negri Sembilan and Perak because it was close

to Kuala Lumpur and located about the same distance from Kuala Lumpur and the new airport in Sepang.

A comprehensive study was conducted by 14 local architects, headed by a Public Works Department staff.

The administrative centre, Dr Mahathir said, was planned to become part of the "multimedia super corridor" which links the international airport in the south and Kuala Lumpur in the north, and has "all the latest and sophisticated facilities".

On the *departments which will be moved to the new administrative centre, Dr Mahathir said only ministries and departments which did not really need to be in the capital would shift there.

Departments which have a lot of dealings with the public such as Wisma Putra would remain in Kuala Lumpur, he added.

Asked about Putrajaya's position, Dr Mahathir said it was not a federal territory and that the Federal Government had to make "certain payments" to the Selangor Government.