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SAEAGA AIR SET TO SOAR INTO THE ASEAN REGION

KUALA LUMPUR, June 5 (Bernama) -- Saeaga Airlines has been given the nod by the government to expand its flying routes to destinations within Asean.

It will be given the landing rights to destinations in Asean that are not fully utilised by Malaysia Airlines (MAS), said Transport Minister Datuk Seri Dr Ling Liong Sik today.

"The Cabinet has today decided to designate another regional airline in order to improve tourism among the Asean countries. The government will now take Saeaga Air into consideration when discussing landing rights with other countries," he told a post-Cabinet news conference here.

Asked if Saeaga Air would be a competitor to MAS, Dr Ling said the government would continue to give priority to MAS, as the national carrier, as Saeaga would service "smaller regional routes."

Ekran Bhd holds a 20 per cent stake in Saeaga Airlines while the rest is shared equally between the state governments of Sabah and Sarawak.

It was incorporated on Oct 17 last year as a subsidiary of Ekran Bhd with an initial paid-up capital of RM150 million to serve Sabah, Sarawak, Brunei and the BIMP (Brunei-Indonesia-Malaysia-Philippines) area and the East Asean Growth Area involving Brunei, Indonesia, the Philippines and Malaysia.

Launched by Prime Minister Datuk Seri Dr Mahathir Mohamad last November, it has started to operate direct flights to Pulau Layang-Layang and Mulu from Miri and Kota Kinabalu this year.

Meanwhile, Dr Ling said he would be leaving for Laos on Friday to discuss with Laotian authorities on how to accommodate the landlocked country in the proposed Trans-Asia Railway that would link Singapore, Malaysia, Thailand, Cambodia, Vietnam and China but bypassing Laos.

Laotian Foreign Minister Somsavat Lengsavad said yesterday after the inaugural Malaysia-Laos joint commission meeting here that Vientiane wanted a link to the railway and would be bringing the subject up at the Mekong Basin Development Conference scheduled here later this month. --

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