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SUCCESS OF ASIA'S REGIONAL AIRLINES DEPENDENT ON GOVT SUPPORT: SAAB CHIEF

KUALA LUMPUR, Feb 26 (Bernama) -- Air transportation would only be the backbone of the industrial revolution in Asia Pacific if the Asian governments make a policy to allow that to happen, said Saab Aircraft International president Martin J. Craigs.

Airline operators which meet quality standards should be given licences for regional flights with capacity of less than 60 seats and they should not be subject to bilateral agreements between governments in the region, he said.

Craigs said Asia Pacific had about 60 percent of the world's population but less than seven percent of the world's commuter airlines.

To date, the nationals' airlines were against giving such access for the regional airlines, he said at a press briefing in conjunction with the new-generation Saab 2000 jetprop's 18-day demonstration tour of nine countries in the Asia-Pacific region.

There were many opportunities for carriers from Malaysia to fly regionally to Indochina, he said, adding that "there are 60 to 70 potential airports in Vietnam, but only two or three are being served".

The Sungei Besi airport here as a downtown commuter airport could become a national asset, he said, noting that flights between Taipei and Taichung in Taiwan increased from two flights per day five years ago to more than 20 flights per day currently.

He also said though Taipei and Taichung were connected by a four-lane highway, commuter flying was still attractive because there is a commuter airport in downtown Taipei, next to the city's business district.

On the other hand, commuters between Kuala Lumpur and Ipoh, which was about the same distance as between Taipei and Taichung, would rather drive than use the planes although there were many flights because Subang International Airport was located too far away, he said.

Flying to smaller cities would spread investment and ease environmental degradation that was being experienced by the country's capital and major cities, he added.

Saab was also open to a two-way trade with Malaysia, he said, adding that the company may consider buying aircraft interior components if Malaysia purchased aircrafts from Saab.

Craigs said Saab had approached Prime Minister Datuk Seri Dr Mahathir Mohamed on the idea, and it was asked to deal directly with the private Malaysian carriers.

On China's plan to build commuter aircrafts, he said it was understandable as there were demand for up to 300 aircrafts in that country in the next 20 years, but export potential was very limited as there were a lot of competition.

Indonesia built aircrafts with similar engines as the Saab 340 but only delivered about 28 aircrafts in 10 to 11 years, compared to 400 delivered by Saab, he said.

He said Saab had performed well in the Asia-Pacific region with a total of 50 Saab 340s currently in service with seven airlines, which represented almost 60 percent of regional aircraft in its size category.

By the year 2002, Saab had estimated to have over 100 aircrafts in service in the Asia-Pacific region, he said, adding that the company was going for a long-term result with regular visits and do not expect to sell many aircrafts immediately.

This was Saab's fourth demonstration tour in the region and the first for the US\$15 million (RM37.5 million) Saab 2000. -- BERNAMA
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