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Samy-Road

COST CUTS FOR PROTON CITY ROAD, SAYS SAMY VELLU

KUALA LUMPUR, Dec 7 (Bernama) -- Work on the proposed 19-kilometer road linking Tanjung Malim near Behrang with Proton City, costing RM230 million, will now be staggered because of the current economic situation, Works Minister Datuk Seri S Samy Vellu said today.

The government has directed that the project be reviewed to cut cost even further although the Finance Ministry had approved the allocation and invited tenders for its construction, he said.

"We have to do it in a staggered manner. It means we don't have to spend RM230m at one time. We spend about a few millions for the first two years, another few millions for the second two years and whatever balance in the last two years," he said.

Speaking to reporters after officiating at the ministry's family day at Tasik Perdana here, Samy Vellu said the cost would be spread over six years instead of spending it lump sum in two years.

In this way the government would have time "to breathe" until the economic situation improved, he said.

Asked by how much could the project cost be reduced, Samy Vellu said: "I can't tell you now. It will take three days to know -- maybe on Monday or Tuesday, we'll be able to get some information because my ministry, particularly the PWD is working on it."

He said the proposed road, which would link Proton City to the North-South Expressway was the first project whose cost was being reviewed by the ministry for further trimming down.

"Many other projects already approved by the government will be reviewed by us. We'll now be reviewing as many projects as possible," he said.

On March 23 last year Prime Minister Datuk Seri Dr Mahathir Mohamad officiated at the ground-breaking for Proton City which will be a twin of Japan's "Toyota City".

The automobile centre is a joint venture between Proton, manufacturer of the national car and the Perak government, and will concentrate on production of 1300cc to 1800cc cars for local and export markets. It will also assemble the Malaysian Lotus.

Proton City is scheduled to start operations by 1998/99 to produce 150,000 units per year.

"Everything under the ministry will be looked into as every sen spent in future will be given double or triple consideration to see whether it's worth spending or not," said Samy Vellu.

He said Proton City was designed to handle production of a lot of cars meant for export and the proposed Tanjung Malim-Proton City road itself has several interchanges with well-planned roads for industrial development.

"Under the circumstances, the whole of nearly 3,000 acres (1,200 ha) of land has to be given proper roads and that is why over RM230 million has been approved. But now we are cutting it down," he said.

The ministry started trimming costs since the past two months and had been directed to opt for cheaper tender bids without compromising work quality, he said.

"By trimming down project costs, I expect my ministry to cut back expenditure by as much as 25 per cent and not only 18 per cent as announced by Deputy Prime Minister Datuk Seri Anwar Ibrahim last Friday," he said.

On damaged roads, Samy Vellu said in the light of the current economic

situation the best his ministry could do was to patch up all bad roads.

"No question of having very lavish roads any more. Standard of some of them will be brought down so as to reduce cost," he added.

-- BERNAMA

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