

17 MAR 1997

Mahathir-Rail

RAILWAY TO BE BUILT TO LINK KUANTAN-KERTEH

KUANTAN, March 17 (Bernama) -- The government will set up a railway line specially to link Kelantan and Kerteh, Terengganu, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

The railway was for the transportation of raw materials needed by the industries as well as passengers, he said.

Petronas and KTM Bhd would discuss matters pertaining to the implementation of the project, he told reporters after opening the W.R Grace (Packaging) Sdn Bhd factory, here.

He said the government hoped that in the long run KTM Bhd would create a new route from the west to the east coast of the peninsula.

"Although the costs now appear high, if the development in the east coast grows rapidly and warrants transportation of goods and passengers between the west and the east coast, we will link them with a railway," he said.

The prime minister said a study would be made on the project as soon as possible.

On the growth of the Gebeng industrial estate, he said the Pahang government had picked a suitable strategy to make Gebeng a centre for the petrochemical industry.

He said the Pahang government had succeeded in attracting a lot of foreign investments and helped achieve the federal government's objective to develop the eastern corridor which covers Pahang, Terengganu, Kelantan and part of Johor.

He said the Pahang government's concentration on big industries that required bigger space was appropriate as Pahang had land assets and large tracts near the sea. -- BERNAMA

ROS JK