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`Right move to build airport when ringgit was strong'

PRIME Minister Datuk Seri Dr Mahathir Mohamad said the Government had made the right move by building the RM9 billion KL International Airport at Sepang when the ringgit was still strong.

"Some people didn't understand why we wanted to build the airport and they claimed it was too costly to build a new one.

"However, if we did not build it then, and had we been forced to do this later or even now, we would not have been able to build such an airport at RM9 billion," he told newsmen after a two-hour visit of the airport yesterday.

Work on the airport, including earth works, started four years ago.

With the depreciation of the ringgit against the US dollar, Dr Mahathir said the cost of building an airport of such size would escalate.

"The KL International Airport was built at the right time when the ringgit was strong. It cost about RM9 billion, which is equivalent to about US\$4 billion (currently US\$1 = RM4.00), at that time.

"Now, the cost (to build such airport) will be more due to the appreciation of the US dollar against the ringgit. The RM9 billion will be equivalent to about US\$2.4 billion now," he added.

The ringgit closed easier at 4.0000/100 against the greenback yesterday compared with Friday's close of 3.9700/900.

At a cost of RM9 billion, Dr Mahathir said this was considered cheaper than in other countries. "Other countries have built smaller airports but at a higher cost," he said.

Dr Mahathir also did not dismiss the possibility that the second phase of the KL International Airport project would be delayed due to present economic problems.

"It may or may not (be delayed)... that is beyond our control. If people are not flying (to the airport), it will be meaningless to build a new terminal.

"But, I think even if there is a delay or not, it will not be for too long," he said.

Located about 50km from Kuala Lumpur, the KL International Airport is scheduled to start operations on June 29, with the Yang di-Pertuan Agong Tuanku Ja'afar scheduled to officially open the airport on June 27.

The KL International Airport is a four-phase project designed to cater to the passenger and air cargo demands of Malaysia in the next century.

Initially, the airport is expected to handle some 25 million passengers a year, and this may increase to 35 million by the year 2008, and 45 million by year 2012.

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