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'T'ganu must help ensure highway's viability'

Lokman Mansor

PRIME Minister Datuk Seri Dr Mahathir Mohamad says the proposed East Coast Highway will only be built through Terengganu if the Pas-led State Government takes measures to ensure that the project is commercially viable.

"We will proceed if it is agreed to by them, especially the collection of toll. They do not want to burden the people, but this expressway will not have as much traffic as the North-South Expressway. The operator will not be able to recoup the costs if the toll is lowered," he said.

The Prime Minister was speaking at a press conference after launching Bank Negara's Commemorative Millennium Gold Coin in Kuala Lumpur yesterday.

Dr Mahathir said one option for the State Government is to provide some form of subsidy to the project, for example, the use of existing roads or to allocate free land.

"Otherwise the expressway cannot be built. The State Government, if they have the money, can also do the project on their own and collect the toll for themselves," he added.

The 338-km expressway was to be built in stages and fully completed by 2002. It would link Karak with Kuantan in Pahang and with Jabor, Bukit Besi, Ajil and Cendering in Terengganu. The Government would spend RM830 million on the first phase spanning 107km.

On Pas president Datuk Fadzil Noor's call for continued Federal Government projects in the state, Dr Mahathir said investments have continued to flow into Terengganu.

"We have always invested in the state. Petronas and its partners have so far invested RM60 billion in Terengganu. And they will continue (to invest). We cannot just pick up these industries and move them to Kedah (Dr Mahathir's home state)," he said.

Meanwhile, Terengganu Menteri Besar Abdul Hadi Awang said the state agrees in principle with the Cabinet decision to proceed with the highway project.

"The decision reflects cooperation between the federal and state administrations," he was quoted by Bernama as saying at a press conference in Kuala Terengganu yesterday.

Nevertheless, the State Government feels that discussions should be held on several issues, including the privileges and rights of the state, Hadi said.

In Sungai Siput, Works Minister Datuk Seri S. Samy Vellu said the East Coast Highway project might be extended to Kelantan to bring changes and development to the state.

The Economic Planning Unit (EPU) is looking into the possibility and when the study is completed, "I will bring it to the Cabinet for approval," he told reporters after presenting Christmas hampers to the needy.

The highway concessionaire is also in discussions with the EPU on how the construction cost could be reduced so that the tolls imposed would not be too big a burden for road users, the minister said.

On Terengganu's stance, Samy Vellu said he had asked the State Government for a letter which states its approval of the project.

"If the Terengganu Government gives its approval, we can start work simultaneously from Karak in Pahang and Cendering in Terengganu," he said.

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