

16/07/1999

Making Port Klang the only option

FIVE years ago, there was no Westport. Today, it is a major contributor to cargo throughput at Port Klang, the country's premier port. It accounted for 26 per cent of Port Klang's total cargo throughput last year and by the first half this year the figure had shot up to 31 per cent. It also contributed 43 per cent of the port's total transshipment traffic. A dozen main line operators are already calling at Westport and with one million boxes in the bag within three years, other main lines would certainly have taken note.

But while Datuk G. Gnanalingam and his team at Westport deserve bouquets for their good work, a lot more still needs to be done to make Port Klang a premier port in the region. For years, there had been a great many lectures about the need to promote Port Klang to rival Singapore, but very little was done and much less achieved. Westport's success in establishing its credentials in the most trying of times (two out of its three years of existence were when the country was facing its worst economic crisis) proves that there is vast potential for expansion at Port Klang. Port Klang is now ranked among the top 25 largest ports in the world.

Gnanalingam has told government officials, foreign investors and local clients that it will be in the top 15 soon and among the world's 10 largest ports by the year 2002. After what he has achieved with Westport in the shortest of times, friends and rivals in the industry should not be too quick in brushing that possibility aside.

Westport and Gnanalingam, however, will need maximum cooperation from all parties involved. The Government, in this regard, has been very supportive. In fact, it was Prime Minister Datuk Seri Dr Mahathir Mohamad who had challenged local port operators to overcome their inferiority complex, improve its services and facilities, and compete with the best in the world. The local shipping community was encouraged to be more patriotic and although many shippers still opt for Singapore, the number is dwindling. The Transport Ministry, under Datuk Seri Dr Ling Liong Sik, has promised to talk to every shipper who is using the port in the republic to try and win them over. With the Port of Tanjung Pelepas emerging in the south as well as the fewer number of feeders transporting goods from Penang to Singapore (and bypassing Port Klang), the prospects seem to be improving.

The Government's selective capital controls have also worked for the ports and the industry as manufacturers and exporters become relatively more competitive. There has been a considerable increase in activities at ports judging by the better trade figures since the controls were imposed. Transshipment at Port Klang rose 144 per cent to 424,943 TEUs (20-foot equivalent units) and total throughput rose 41.6 per cent to 1.16 million TEUs during the first half of this year as compared to the same period last year. The big names in international shipping, such as Maersk, Hanjin and Evergreen, are calling at Westport. As far as Port Klang is concerned, there are more than 60 main lines calling at the port now compared to a handful earlier this decade. The highways and expressways the Government has built over the last few years have tremendously improved the connectivity on land between the port and the origin/destination of the cargo. Customs clearance and bureaucracy at Port Klang and other ports in the country have also improved by way of computerisation as well as efficiency and productivity.

To grow bigger, however, the industry needs further consolidation. Freight forwarders and hauliers can do with greater discipline and coordination. They must keep abreast of the latest technology and developments to add efficiency in the handling of cargo instead of slowing down the process. The Malaysia International Shipping Corp, through its global connections, should be able to do more to help pave the way for more lines to call at Port Klang. The financial system needs to match its rival in Singapore in terms of clearing credit. The port authorities should be given the authority to approve licences, visas and work permits to cut down waiting time for potential investors. The local shippers who are still using Singapore to ship their goods are running out of excuses. Port Klang needs to leave them with none at all.

(END)