

PM: Both can share land at Subang airport

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PRIME Minister Datuk Seri Dr Mahathir Mohamad said yesterday that there was no reason why Malaysia Airlines and Malaysia Airports Bhd could not share the land that houses the Sultan Abdul Aziz Shah Airport for their development projects.

Responding to news reports that plans for the development of the Subang International Aviation and Aerospace Park (SIAP) was "grounded" by the proposed development of a convention centre by Malaysia Airports, Dr Mahathir said it was not necessary for the Park's developers to have the land directly opposite the current Terminal One building at the airport.

Initially, both Malaysia Airlines and Malaysia Airports had put in claims for the land.

Dr Mahathir reasoned that the Government believed that Malaysia Airports should have the land as its development project could not go ahead without it.

Malaysia Airports is building a RM1 billion National Exhibition and Convention Centre on the airport site which will include state-of-the-art convention facilities.

It will also build over the land that was also claimed by Malaysia Airlines as an auction centre.

"We find that it was necessary for Malaysia Airports' exhibition centre and auction centre to be contiguous," Dr Mahathir said yesterday after launching the project at Subang.

However, he said that Malaysia Airlines would have the option to acquire another piece of land next to its aircraft servicing centre which currently belongs to the Rubber Research Institute Malaysia.

"That area is of approximately the same (size). There is no reason why both of them (Malaysia Airlines and Malaysia Airports Bhd) cannot have this whole area."

Work on the SIAP project is estimated to cost around RM500 million and is being developed by Naluri Bhd with Malaysia Airlines.

The project, part of the National Aerospace Blueprint, had been planned to be developed over a 172ha area which will include Malaysia Airlines' facilities and also those of multinational aerospace companies.

Naluri has since 1997 allocated RM502.2 million to acquire land and is believed to have spent RM700,000 on preparatory work.

To date, Naluri and Malaysia Airlines have signed deals with eight component makers under the SIAP programme.

On the other hand, Malaysia Airports' exhibition and convention centre will be the biggest such facility in the region with over 100,000 sq metres of exhibition space.

The centre, which will position Malaysia as key player in the industry, is expected to be ready by 2002.