

Bakun project to go on, says PM

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BANGI, Thurs: The government will continue with the much-debated Bakun hydroelectricity project because there is a growing demand for electricity.

Prime Minister Datuk Seri Dr Mahathir Mohamad said: "We now use more than 9,000MW, so we have to speed up the building of new plants."

Between 1998 and last year, Mahathir said, electricity usage grew by 1,000MW because of the economic recovery, and this continues to grow.

"We may be faced with a situation where there is very rapid growth in industry but very slow growth in power projects.

'A waste to give up now as part of work on dam has been done'

"And because of that we need to seriously think about implementing the Bakun project," he said after officiating at the launch of University Tenaga Nasional here today.

He added: "Whatever the international people will say about it being a mega-project, we must continue. They can take what they said and put it back in their mouths."

Mahathir also said it would be a waste to give it up because the government had spent "hundreds of

millions of ringgit" and part of the work on the dam has already been done.

The 2,400MW project was shelved in late 1997 when the economic downturn forced its key contractor Ekran Bhd to pull out.

Preliminary work resumed in October 1998, and there are plans to construct a smaller dam in place of the earlier giant, probably with a capacity of 500MW.

Even though power demand is

expected to grow in the future, Mahathir admitted that for now it will be difficult to find users for the scaled-down project.

"At one time we wanted to have an aluminium smelter there that would use a lot of electricity but that project did not go on because the investor went to Australia," he said.

"We now have to find other industries that use a lot of electricity," he said, adding that even if building started now it will be five years before it produces power.

Mahathir also said electricity usage among individual customers can be increased by "enriching the people".

"That is why it is important to

develop the economy of this country . . . the people will get better pay and they can improve their standard of living, then the usage of electrical appliances will go up," he added.

Mahathir also said the estimated cost of building a full-scale plant at Bakun would be between RM13 and RM14 billion.

He also said the government will definitely consider privatisation when constructing the dam, adding "we will see what is the best method".

"The foreigners would want this project to be pushed to the government so that this government will be paralysed.

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