

23 OCT 2000

Mahathir-Bakun

BAKUN HYDRO-ELECTRIC DAM TO BE REVIVED, SAYS DR MAHATHIR

BANTING, Oct 23 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today confirmed that the Bakun Hydro Electric Dam project in Belaga, Sarawak, will be revived.

He said, however, that the government had not decided if the project would be revived to its full scale.

Dr Mahathir said a lot of money had been spent on the various requirements of the project and "this must not be wasted."

"Demand for electricity is mounting very fast in this country," he told a news conference after opening Megasteel Sdn Bhd's RM2.5 billion hot strip mill, here.

The Bakun hydro-electric dam project was shelved during the economic downturn and was taken over by the Minister of Finance Incorporated from Bakun Hydroelectric Corporation Bhd in August last year.

Asked whether the forthcoming budget would offer measures to help struggling big corporations, Dr Mahathir said: "We will look into all those but we would like to study each case by itself."

He also stressed that this was not cronyism or bailing out of companies.

"This is to ensure that the workers in this country do not suffer as a result of somebody devaluing our currency," he added.

When asked if import tariffs on steel products would be removed once the Asean Free Trade Area (Afta) is implemented in 2003, Dr Mahathir said Malaysia was committed in reducing tariffs between zero and five per cent but not to remove them totally.

The government would have to study the impact of reducing the tariff from "people who would dump their steel in this country," he said.

He said some countries, which produce excess steel, had the tendency to dump their products in this country.

Action could not be taken against them, unlike the big countries.

"Small countries have no clout," he added.

Meanwhile, Tan Sri William Cheng, chairman of the Lion Group, the owner of Megasteel, was not so worried about the planned implementation of Afta.

He said Megasteel's RM2.5 billion hot strip mill in Banting was among the lowest cost producers among the Asean countries.

-- BERNAMA

MAD DVS JK