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Multi-billion ringgit car city `to be revived'

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THE multi-billion ringgit Proton City project which was deferred due to the 1997 economic crisis will soon be revived, according to Proton chief executive officer Tengku Tan Sri Mahaleel Tengku Ariff.

Tengku Mahaleel said in Shah Alam yesterday all the new models will be manufactured at Proton City in the Bernam Valley, near Tanjung Malim, Perak.

Pressed by reporters, he said, "The equation is this: all the new cars we are going to make need a plant. Do we make it here (Shah Alam) or do we make it at a new plant (in Proton City)?"

He added that the deciding factor would be the "cost differential".

Just two months ago, Prime Minister Datuk Seri Dr Mahathir Mohamad commented that the Government is looking at reviving Proton City as the national car manufacturer embarks on its plan to expand its operations.

The plant, located on a 1,600ha site, was to be the largest automotive factory in the region equipped with all the latest technology. Of the total size, 4,580ha was set aside for the production of Proton cars.

Another 240ha was to be occupied by Proton vendors for the production of component parts. The rest would comprise the construction of a test drive circuit, an automotive technology centre, a housing estate and facilities such as a convention centre, a hotel and recreational park.

The RM3 billion project was aimed at upgrading the production of Proton cars up to 500,000 units annually by 2005. By 2010, it plans to build one million cars.

The grandeur project, a town that is to be dominated by the motor industry much like Detroit in the United States, was said to be bigger and better than Toyota City. Tengku Mahaleel had said a few times before that the revival of Proton City was being reviewed every six months as he said that the Shah Alam plant is getting old with the volume getting quite stacked up.

Presently, the 9km dual carriage highway from Tanjung Malim to the Proton City has been completed. Meanwhile the construction road projects from Proton City to the Behrang exit of the PLUS highway is underway and will be completed in a year.