

05/10/2001

PM refutes report on cancellation of tunnel project

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday said Malaysia and Singapore have not decided on the form of the proposed tunnel linking Johor Baru and the island city.

This is contrary to a report by a magazine quoting Malaysian Government officials as saying that the 600m tunnel project's fate is uncertain. The report stated that rumours of the cancellation of the project was related to the high cost of construction.

"That is only speculation. We have not really decided how and what form it will take. We have to talk to Singapore because it is not a decision we can make ourselves," he said after opening the CEO Aksi Summit 2001.

The construction of the tunnel, estimated to cost about RM1.5 billion, forms part of the bilateral package agreed between Dr Mahathir and Senior Minister Lee Kuan Yew during the latter's visit to Malaysia in early September.

It also said that Malaysia may seek a higher selling price for water supply should the proposed Kranji checkpoint is moved out of Singapore.

The package includes nagging outstanding issues that had been seen as a thorn in the diplomatic relations between both countries.

Among the issues resolved covered the general terms relating to Malaysia's supply of water to the republic and the status of Malaysia's immigration and quarantine checkpoint in Kranji.

Others include the joint redevelopment of land belonging to KTM Bhd in Singapore, the use of Malaysia's airspace by Singapore air force and the Central Provident Fund savings belonging to Malaysians in the Peninsular who no longer work in Singapore.

(END)