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MAS, AirAsia ordered out of Subang

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PUTRAJAYA, Thurs. - Malaysia Airlines and AirAsia have been ordered to shift their operations from the Sultan Abdul Aziz Shah airport in Subang to the Kuala Lumpur International Airport in Sepang by July.

Transport Minister Datuk Seri Dr Ling Liong Sik in announcing the Cabinet decision said the move was aimed at increasing connectivity and spur KLIA, which is the country's premier airport, to achieve the critical mass of passengers in a shorter time.

The other three domestic airline operators, namely Pelangi Air, Berjaya Air and Transmile Air are not affected by the relocation exercise.

Berjaya Air, which is deemed an operator of propeller driven aircraft, is exempted on the basis that its planes would slow down the take-off and landing time of the much faster jet aircraft in KLIA.

As for Pelangi Air, which has temporarily suspended its domestic passenger flights pending a corporate restructuring exercise, Dr Ling said a decision would be made later depending on the type of aircraft it uses.

"Transmile Air will stay in Subang for another 10 years as it only provides courier service, which does not contribute to the critical mass in KLIA or ridership of the Express Rail Link which commences operations on April 19.

"Moreover, the company has invested a large sum of money to build hangars, warehouses and engineering facilities at Subang.

"Also unaffected by the move are the Royal Malaysian Air Force base, the RM1 billion National Exhibition and Convention Centre project, the operations of Airod Sdn Bhd, the aviation park and other functions at Subang airport."

Speaking at a Press conference in his office, Dr Ling said both Malaysia Airlines and AirAsia had been informed that they have until end of June to move their operations to KLIA.

He said the Cabinet had made it clear when KLIA came into being in the middle of 1998 that the Subang airport would remain operational pending a review at a later date due to the lack of public transportation plying the city and KLIA.

Terminal 3 of the Subang airport has been maintained on the directive of Prime Minister Datuk Seri Dr Mahathir Mohamad to cater to the needs of domestic passengers.

Currently, Malaysia Airlines has 119 flights departing from Subang weekly, while AirAsia has 14 daily flights.

"The shift will see KLIA emerging as a hub. We will have a passenger load in excess of 16 to 17 million a year, if we put together KLIA's annual passenger volume of 14.5 million with that of Subang's two million.

"In addition, we will have a total of 585 daily flights, 231 of which are from Subang which means a marked increase in connectivity, both locally and internationally.

"The move will also have a good impact on the ERL and the business outlets in KLIA," Dr Ling added.

Culture, Arts and Tourism Minister Datuk Kadir Sheikh Fadzir who had earlier launched AirAsia's latest flight to Penang from the Subang airport, said the Government would support AirAsia and hoped Malaysia Airports will offer good concessions to them.

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