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MAHATHIR-CANAL

M'SIA WILL SEEK WAYS TO BENEFIT FROM THAI'S KRA CANAL PROJECT

KUALA LUMPUR, May 6 (Bernama) -- Malaysia will seek ways to benefit from Thailand's Kra Canal project, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

It is Thailand's right to build the canal since it is within its territory, he told a press conference after delivering a keynote address at the 35th International General Meeting of the Pacific Basin Economic Council (PBEC), here.

"There will be re-shaping of the economy because of this new accessibility," said Dr Mahathir, who is also the Finance Minister.

The prime minister said that the construction of other canals like the Suez and the Panama canals have shown that areas affected by the development would not be made redundant.

"I am quite sure even you build a canal, it does not mean others should close shop. We have to find a way how to benefit from the new canal," he said.

Work on the canal project from the Indian Ocean to the Gulf of Thailand is expected to begin in 2005.

Originally planned across the Isthmus of Kra, the proposed canal is now to be located 400km further south near the Malaysia-Thailand border, 30km north of Satun and 24km south of Songkhla port.

The Chinese and Japanese governments have indicated their interest in joint ventures with the Thai government to construct the canal estimated to cost 100 billion bahts (RM10 billion).

Thailand has said that pre-feasibility results indicated that the area between Satun and Songkhla was a better choice as the proposed canal would run along the Satun-Haadyai Highway. -- BERNAMA

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