25 JAN 2002
Ling-Subang
TRANSPORT MINISTRY PREPARING CABINET PAPER ON SUBANG AIRPORT

    KUALA LUMPUR, Jan 25 (Bernama) -- The Transport Ministry is preparing a
cabinet paper on the fate of the Sultan Abdul Aziz Shah Airport (SAAS) in
Subang when commercial flight operations revert to the KL International
Airport (KLIA) in Sepang.
    Minister Datuk Seri Dr Ling Liong Sik, who said this, however, did not
disclose when all the comercial flights, mainly scheduled domestic flights,
would cease operations at the SAAS Airport, except to say that it would be
soon.
    "Let the government decide," he told reporters after presenting prizes
to winners of the Universiti Tunku Abdul Rahman (UTAR) emblem design
competition, near here.
    Dr Ling was asked when the commercial flight operations at the SAAS
Airport would revert to the KLIA after the Express Rail Link (ERL) from KL
Sentral to KLIA starts operation on April 19 this year.
    The SAAS Airport was closed after all commercial flights shifted to the
KLIA on June 30, 1998, but Terminal Three was reopened to cater for
domestic consumption under Prime Minister Datuk Seri Dr Mahathir Mohamad's
directive.
    Currently, four domestic airlines -- Malaysia Airlines (MAS), Air Asia,
Berjaya Air and Pelangi Air -- are operating from the SAAS airport but
Pelangi Air ceased operation last November pending a debt restructuring
exercise.
    Dr Ling said that there was a "White Knight" interested to take over
Pelangi Air but did not disclose its identity.
    On the fate of the Pelangi Air workers, who had not been paid their
salary since commercial flight operations were grounded, Dr Ling said: "We
are handling all these things."
    Pelangi Air, in which the Terengganu state government has a 31 per cent
stake, has been in operation since 1997, offering daily flights to eight
destinations.
    However, since early this year, the airliner had been facing financial
problems and operating only one Fokker 50 aircraft due to the problem of
finding spare parts and higher operational costs.
    -- BERNAMA
    AT HS JK