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Transportation

PRIVATISATION MUST RESULT IN IMPROVEMENTS, SAYS CHAN

KUALA LUMPUR, Sept 18 (Bernama) -- The accelerated development of ports, airports and rail operations through privatisation does not mean an overnight conversion of the country's transportation systems into efficient entities, Transport Minister Datuk Chan Kong Choy said today.

He said that turning the transportation systems into efficient entities would take time as the industry needed to respond to, and be ahead of, the demands imposed on them.

"Privatisation is not an end by itself. It must result in a host of improvements such as greater efficiency and productivity of services, more asset utilisation and competitive pricing," he said when opening the 24th Joint Conference of Keretapi Tanah Melayu Bhd (KTM Bhd) and the State Railway of Thailand (SRT) at a leading hotel here.

Also present were the ministry's secretary-general, Datuk Zaharah Shaari, KTM Bhd chairman Tan Sri Thong Yaw Hong and SRT Governor Dr Chitsanti Dhanasobhon.

Speaking on the country's railway services, Chan said that the KTM intercity service was poised towards a good future as it was set to progress into a speedier, safe and convenient mode of transport preferred by the people for long distance travel.

"With the completion of the double-tracking project in the northern and southern sectors, the trains will be faster and rail journey will become shorter. Train speed will increase from the current maximum of 120kph to 160kph," he said.

The minister said once double tracking was completed, a journey from the federal capital to Butterworth, which at present takes seven hours and 30 minutes, would be cut to just under three hours while a Kuala Lumpur-Johor Baharu rail travel, which now takes six hours, would also be under three hours.

"This is good news for the people who prefer a speedier mode of transportation without having to drive on their own. If intercity services can provide a very competitive fare for its future rapid train service, it will pose a serious competition to road transport," he said.

He said that KTM Bhd had projected an increase in its intercity passenger volume from four million a year at present, to seven million a year upon completion of the double-tracking project in 2005 and subsequently, a further increase to 26 million by 2020.

On another matter, Chan said that KTM Bhd board of directors had recommended to the government that rail workers be paid bonuses as enjoyed by civil servants.

"The government is now studying the recommendation," he said.

KTM Bhd was corporatised on Aug 1 1992 under the Railways Act 1991 and although still wholly owned by the government, it currently operates as a private organisation responsible for its revenue and operations. As at March this year, KTM Bhd's employees numbered 5,000.

KTM Workers Union head Abdul Razak Mohamed Hassan, when contacted by Bernama today, said the union had asked the management and the government to give its workers bonuses as that paid out to government servants.

So far this year, civil servants have been paid a half-month bonus in May and will be getting another half-month bonus soon as announced by Prime Minister and Finance Minister Datuk Seri Dr Mahathir Mohamad when he tabled the 2004 Budget last Friday.

"The government has extended the bonus payments to KTM Bhd staff in previous years and although we have yet to receive the May half-month bonus, we expect the government to pay us whatever that is given to civil servants," Razak said.

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