

Location, location, location for high-speed rail?

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They say it is all about location, location, location when it comes to choosing where you set up shop. The adage explains why this Tiger is extremely curious as to why the Malaysian government has chosen 1MDB's Bandar Malaysia as the location to set up its high-speed rail terminal. Unfortunately (as is becoming the norm with the HSR) it was all announcement and no explanation.

There is a common saying that whether you are setting up a business or buying a house, the most important thing to consider is location, location, location. Let Tiger assure you that she concurs with this wholeheartedly and therefore put much consideration in deciding where she would claim her own patch of jungle.

As you can probably guess there were so many factors to consider — for one it had to be the perfect mix of sun and shade and not too close to the jungle's edge (Tiger tries to minimise contact with pesky humans). Then of course, one must take into consideration the distance to food, and so this cat's abode needed to be fairly close to a nice watering hole where plenty of its favourite rusa gather for Tiger's delectation.

Finding this perfect patch of land was no small feat, but Tiger was clear on what she wanted from her chosen location so that made it easier. After some lengthy excursions, Tiger finally settled on just the right patch of jungle.

It is quite perfect, and Tiger now spends her non-hunting time lounging her days away.

So when Tiger heard that Malaysia had settled on a home for the its High Speed Rail (HSR) terminal, she assumed that the same level of care had been used to consider all factors that would make this the prime choice.

But then Tiger heard that the country has apparently chosen 1Malaysia Development Bhd (1MDB)'s Bandar Malaysia development area to set up shop. Tiger must admit that this decision raised its eyebrows, although to tell the truth this entire project has this cat rather suspicious.

Along with the fact that you never know when some bird-brained politician or businessman might decide it is a good idea to run the link through some part of

Tiger's precious jungle, there are so many other concerns like the feasibility of the project and the costs. But more on all that later.

Let us backtrack a bit to the location. Of course we have not been told why Bandar Malaysia has been chosen as the location for the Kuala Lumpur terminal, so it is difficult to analyse the rationale behind choosing this spot. But hard as Tiger thinks she simply cannot come up with a reason why this would be the preferred location for the HSR terminal.

It is worth remembering that this link has been somewhat sold as being catered to the business crowd and short trip travellers – would such a crowd not want easy access to the terminal? Would it not be more practical to put it in or near another a station with access to the LRT, Monorail or MRT links?

If a substantial amount of time or money needs to be spent to get to the terminal, then the HSR option becomes increasingly unattractive.

It has been suggested by the Land Public Transport Commission (SPAD) that a HSR ticket will likely cost between a traditional train ticket and an airline ticket – putting it at roughly around RM130. Analysts on the other hand opine that if anyone hopes to turn any sort of profit from this link, RM200 to RM300 is more realistic and even this has to be matched with a substantial amount of patronage.

Calculations by Kinibiz using the following parameters; at a project cost of RM50 billion, a 5% financing rate and a ticket price of RM300 – the link would need 8.3 million travellers per annum to just cover the RM2.5 billion per year financing costs!

It is all adding up, and Tiger has not even mentioned the fact that the RM40 billion forecast is an underestimate. Or the potential impact the link will have on the already struggling KTM even as the national rail operator tries to capitalise on its own expensive double tracking project. Or the fact that there still are no publicly available feasibility studies.

Have an in-depth read on the HSR issue [here](#) and on the state of KTM [here](#).

For now Tiger plans to retire to her shady abode, where there is a recently acquired deer (from the nearby watering hole of course) waiting to be enjoyed. Location, location, location truly is a key consideration!

GRRRRR!

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