

# 'Pan Borneo Highway, HSR to stimulate growth'

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**KUALA LUMPUR:** The decision to go ahead with the RM27 billion Pan-Borneo Highway and the proposed high speed rail (HSR) project are expected to pump-prime the economy, said Works Minister Datuk Seri Fadillah Yusof.

The pre-emptive measures announced by the government yesterday will not hamper big-ticket infrastructure projects, such as the light rail transit (LRT) Line 3 from Bandar Utama to Klang and the Sungai Buloh-Serdang-Putrajaya Mass Rapid Transit (MRT) Line 2.

Although the HSR project linking Kuala Lumpur and Singapore was not part of the 2015 Budget, the government said it would be continued.

Fadillah told Business Times the construction of the HSR and Pan Borneo Highway would stimulate the economy as they were large-scale projects that could attract local and international investments.

The HSR is expected to cost about RM40 billion.

Business Times reported recently that Malaysia and Singapore may sign the bilateral agreement for the HSR as early as June.

The document will seal all understandings related to the HSR project.

"Malaysia needs these large-scale infrastructure projects to boost the economy. These will help spur domestic growth through economic-related activities that include construction and services.

"Once you have construction activities, everybody will have a share. There will certainly be a chain reaction and this will benefit the entire value chain in the construction sector.



*Large-scale projects, such as the mass rapid transit system, will boost Malaysia's economy. Pic by Asyraf Hamzah*

"By maintaining the RM48.5 billion development expenditure, we will be able to sustain economic growth," said Fadillah.

Mass Rapid Transit Corp Sdn Bhd chief executive officer Datuk Seri Shahril Mokhtar said the continued development of infrastructure was vital in ensuring economic growth and generating employment.

"I am happy the government is keeping its promise on public infrastructure, including the construction of the third LRT line and the proposed HSR. These projects are important for the people.

"A second MRT line is also a logical step as we have made urban rail the backbone of public transport in the Klang Valley," he said.