

PLEASE CHECK AGAINST DELIVERY

SPEECH BY Y.A.B. KETUA MENTERI, PULAU PINANG ON
THE OCCASION OF THE OFFICIAL OPENING OF KOMPLEKS
TUN ABDUL RAZAK, PHASE 1A ON JANUARY 1, 1977.

T.Y.T. Yang Di Pertua Negeri Pulau Pinang dan Yang Berbahagia
Toh Puan Datuk Sadiah,
Y.B. Datuk Mohd. Najib bin Tun Haji Abdul Razak,
Y.B. Ahli-Ahli Majlis Mesyuarat Kerajaan dan Isteri-Isteri,
Datuk-Datuk dan Datin-Datin,
Tetamu-Tetamu Terhormat,
Puan-Puan dan Tuan-Tuan Sekelian:

On behalf of the State Government of Penang and the Board of the Penang Development Corporation, I take this opportunity to welcome everyone present here this morning to witness the official opening of Phase 1A, Kompleks Tun Abdul Razak. We are deeply honoured by the gracious presence of His Excellency the Yang Di Pertua Negeri and Toh Puan Datuk Sadiah on this historic occasion. Their presence here this morning clearly demonstrates the deep interest they show in

the socio-economic development of the State of Penang.

2. To-day is a historical occasion for it is exactly three years ago, on this very date, that our beloved late Prime Minister Y.A.B. Tun Abdul Razak bin Datuk Haji Hussein officiated at the Pile Driving Ceremony. We are indeed indebted to the Allahyarham Tun Abdul Razak for it was his wise counsel, vision and encouragement that enabled us to move ahead with this project. To-day, we are grateful and happy to have with us Yang Berhormat Datuk Mohd. Najib who is representing Tun Hajjah Rahah.

3. To-day also marks an important milestone in the history of the economic development of the State of Penang. With the commencement and acceleration of development of Bandar Bayan Baru and Seberang Jaya, and now with the completion and commencement of business of Phase 1A of the Kompleks Tun Abdul Razak project, the State has successfully launched itself into

the next phase of sectoral development which is in line with the State Government's overall strategy for socio-economic development. This strategy of socio-economic development which was announced in late 1969 emphasised upon rural industrialisation and urbanisation; the extension of agro-horticultural development, complemented by urban renewal programmes. This socio-economic strategy was adopted in order to revitalise the State's economy by creating the jobs that were so badly needed then as well as restructuring our society in line with the Rukunegara and national unity.

4. We started translating our urbanisation programmes into action in early 1974. Our success to-date is very gratifying and is more so because the people within the State have given the necessary support and cooperation. This gives us the **confidence** to push further ahead with our development.

5. To-day, with the completion and commencement of business of Phase 1A of the Kompleks Tun Abdul Razak, the people of Penang have for the first time a modern office and shopping complex in the heart of the City. Phase 1A of the Kompleks Tun Abdul Razak consists entirely of a 4-storey podium block and at the present has a total of 72 units of offices and shops covering an area of 66,334 sq.ft. of space and catering for not less than 25 different categories of business, ranging from commercial bank and departmental stores to art and craft, jewellery, tailoring, restaurant, as well as government and private offices. With the opening of Phase 1A of the Kompleks Tun Abdul Razak, the people of Penang as well as visitors to the State can look forward to shopping amongst good, relaxing surroundings.

6. It is gratifying to note that participation by Bumiputras in Phase 1A of the Kompleks Tun Abdul Razak has been

very encouraging. The Bumiputra units constitute approximately 34% of the total space set aside for the private sector. To achieve Bumiputra participation the policy adopted was to set aside a minimum of 30% of space for Bumiputras. Over and above this Bumiputra wanting to do business were also allowed to rent the space at subsidised rentals. The allocation of space was fully controlled so that Bumiputra units were distributed evenly throughout the Kompleks. To-day I am happy to say that of the 29 shopping units reserved for Bumiputras, 23 are in operation, 5 taken up but not in operation and one unit has yet to be taken up. Of these 27 units taken up, 12 have been purchased and 16 rented. I am confident that Bumiputra businessmen seeing the advantages of the Kompleks will actively participate in the subsequent phases when these phases are developed.

7. The completion of the KOMTAR Project in 1982 will not only fulfil our main objectives of comprehensive development but

also work towards the preservation of the City, rationalise its role as a dynamic epicentre of the Northern Region. The KOMTAR Project will also be a demonstration of the progressive planning which can be achieved, taking into account the needs of the public and the community.

8. The Kompleks will cater for an efficient public transport interchange system; help to centralise all Government services as well as to integrate Government machinery to provide for a more efficient service to the people. It will also serve as a major entertainment and sports complex with open areas for recreational purposes and facilities for indoor games. In addition, there will also be facilities for conference and public display and a hawker centre. The proposed block of flats in the Kompleks will provide accommodation for people of different income levels. The Kompleks Tun Abdul Razak is truly an integrated project in every sense of the word. I am confident

that through this project, we will be able to achieve our objectives of bringing all Malaysians, irrespective of their ethnic origin or economic level, to both live and work together in the true spirit of 'Muhibbah'.

9. The development of Kompleks Tun Abdul Razak has brought about a certain amount of dislocation of the people and I hope those affected will realise that any form of development, irrespective of size, will affect some people either directly or indirectly. I appeal to them to view the Kompleks Tun Abdul Razak project in a broader perspective and appreciate the overall benefits the vast majority of the people in the State will enjoy once the project is completed. The State Government has considered very carefully the phasing of the development of the whole project, and will implement it in a manner causing minimum inconvenience and dislocation.

10. The State Government as well as the Penang Development Corporation have always been very sympathetic towards those affected by this project. In order to minimise the hardship and inconvenience caused to those affected, the State Government has decided not to take immediate possession of all the properties acquired for the implementation of the project. As the project will be carried out in stages, the State Government will only repossess the properties as and when the need arises. As such, the people affected by the project will be permitted to carry on occupying the premises until the premises involved are needed for development. As for properties that are required for immediate development, the State Government has identified certain areas as possible sites for the resiting of both residential families and business units. As in the case of any other resettlement project, before any work can be carried out, there is a need to make a comprehensive study of

the areas involved with regard to certain aspects such as ground conditions, planning and layout of the areas involved as well as the financial commitments involved. I can assure those who are required to move to other areas that the State Government will take necessary steps to promote business in the areas for their benefit. I appeal to them to cooperate with the Government and to accept the alternatives offered. I would also like to assure these people that once the subsequent phases of the project are completed, they can return to the Kompleks to continue their businesses.

11. Apart from the Kompleks Tun Abdul Razak Project, which is one of the largest, most comprehensive and integrated development in the country and which is Penang's first effort at urban renewal, the State Government is taking positive steps to overcome the problem of housing shortage in the State. The State Government and the Penang Development Corporation

will give greater emphasis to the setting up of more housing units both on the Island as well as in Province Wellesley. The State Government will spend about \$10 million this year on low-cost housing schemes. The State has already identified various areas for the implementation of these schemes. The areas involved on the Island will be at the Tama Free School area, Batu Lancang Road, Bukit Glugor, Telok Kumbar, Relau, Kampung Melayu and Kampung Baru, and in Seberang Perai at Alma, Bagan Ajam and Kampung Tebu. Besides these schemes, the Government has identified areas that will not be needed for any specific development within the next ten or twenty years. These areas identified are referred to as transitional areas and the State Government will construct transitional-area housing for the low-income groups. These houses will be rented out to the public and not sold as the land in question will be required for specific development as approved under the overall

State Development Plan ten to twenty years later. Similarly, the Government is also exploring the possibility of identifying areas where the land can be subdivided into small individual housing lots and to lease them out to people from the lower income groups who can then build their own houses according to approved type plan. The State Government will also assist the people to secure the necessary finance to build their houses.

12. The Penang Development Corporation will similarly carry on with the implementation of more housing units in Bandar Bayan Baru and in Seberang Jaya. Under the Third Malaysia Plan, 1976 - 1980, the Penang Development Corporation proposes to develop a total of 13,500 housing units in the State. It is hoped that with the implementation of these schemes, the State will be able to alleviate the housing shortage in the State. Under this programme, it is estimated that a sum of \$286 million is required for housing by the Penang Development Corporation.

13. The State Government will continue to plan for and implement projects in accordance with the overall strategy for socio-economic development. With the people's cooperation we can forge ahead for a better future but here I must remind all that we must be mindful of factors beyond our control that can impede our progress. This will particularly be true if the world economy does not pick up as anticipated.

14. The cooperation from the people doing business in KOMTAR has been very good and I would like to take this opportunity to congratulate the President and members of the KOMTAR Merchants' Association who have worked very closely with the Penang Development Corporation to have the Kompleks ready for business. The members of the Association have also assured the Penang Development Corporation of their continued support and **assistance** to make the Kompleks the leading shopping centre in the State. To them I also convey my best wishes for every success in their business.

15. Special words of thanks are also due to the Federal Government, the Municipal Council (Penang Island), Government Departments, the Consultants, members of the mass media and tenants and purchasers for all their assistance. I am confident that this close understanding will continue to prevail and grow amongst all involved so that the subsequent phases of the project can be implemented as scheduled.

16. The official opening ceremony to-day effectively usher in 1977 and I wish all of you a Happy and Prosperous New Year.