



Persatuan Pengguna Pulau Pinang Consumers Association of Penang

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Press Statement

7 May 2023

PM intervention welcomed – But Penang State needs to discard its outdated development model!

The Consumers Association of Penang (CAP) supports the Prime Minister's pledge yesterday to review the disastrous mega PSR project which has come under bitter criticism from civil society organisations including CAP. The Prime Minister's message indicates that the mega PSR project is defective in its planning and design and raises serious questions about the State Government's competence to formulate effective development programs for the citizens of Penang.

In a letter sent to the Prime Minister on Friday, CAP had set out the reasons why the PSR project is not needed. Initially, Penang state justified the mega reclamation project **AS BEING NEEDED** to raise funds from the sale of reclaimed land to implement Penang's Transport Master Plan. However, the Federal Government has now agreed to provide the funds for the Penang LRT. So, why proceed with the reclamation?

Faced with strong criticism of the reclamation project, the state government raised the argument that Penang needs more land for development and job creation. However, this claim is baseless and contradicts the reality on the ground. Just across the second bridge in Batu Kawan, over 3000 acres of cheap land are available for economic growth. It has all the amenities and is very close and well connected to the Butterworth port and Bayan Lepas Airport. Investing there would contribute to bridging the uneven economic and social development between the mainland and the island.

The Chief Minister himself had admitted recently that 12,000 hectares of land are available for development in Penang state, with around 500 hectares in the island itself. Also, several industrial estates in Penang state are under-utilized. Therefore, what is the rationale for the proposed land reclamation?

This sordid episode has put into sharp relief the deficiency of the Penang State government's outdated development model. A model that is heavily real-estate driven to the detriment of social development and building the capability of Penang's real economy.

The proposed LRT is yet another example of an unsustainable development initiative. CAP has raised concern about the logic for building the LRT instead of pursuing other cheaper, less disruptive, and more modern urban solutions. Instead of solving Penang's traffic congestion problem the LRT will scar her urban fabric and create new more complex problems for Penang's citizens. We strongly urge the Ministry of Transport to appoint credible traffic experts to study the original Halcrow plan and modify it taking into consideration the latest development in transport technology and urban solutions.

Finally, we call upon the Penang State to convene a state conference to critically reassess its development model and shape a new more meaningful development agenda that will position Penang as a model of Malaysia's new economy and a beacon for sustainable development.

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