

Still no funding for ferry service

Operator under increasing pressure to sustain loss-making business

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GEORGE TOWN: The almost 100-year-old Penang ferry service badly needs an upgrade but funds supposedly for refurbishment of the ageing ferries and terminals on both the island and mainland are not forthcoming.

Transport Minister Anthony Loke announced in August last year that the ferry operator, Prasarana Malaysia Bhd, would be allocated RM90mil for the upgrade of the ferries and terminals.

Of this amount, RM21mil would be for the buying of new passenger ferries.

A total of RM13.7mil from the allocation was to be spent on repairing the six existing ferries over a three-year period.

However, it has been eight months now, and sources say Prasarana has yet to receive any funding for the purpose.

Meanwhile, the iconic ferries, some over 40 years old, are having major maintenance issues, and the operator is under increasing pressure to sustain the loss-making business, which is said to be kept afloat mainly for heritage and aesthetic reasons.

The sources claimed that with the RM31mil expenditure a year, maintenance of the ferries takes up 50% of the budget, an expenditure which could increase as the ferries get older.



The income generated from the ferry service amounts to RM7mil annually, creating an operating loss of RM24mil.

The Penang ferry service began in the 1920s and was first called the Railway Ferries, using rail steamboats.

The Sultan Abdul Halim terminal in Butterworth was built in 1956.

There were grand plans, such as upgrading the terminal and introducing catamarans to present a totally vibrant ferry service which has been lacklustre for many years.

However, plans fell apart after Prasarana took over the service from Penang Port Sdn Bhd last May.

With the change of the federal government which is on an austerity drive and the company's highway and rail projects slashed, Prasarana has found that maintaining the ferry service is quite a daunting task.

Osman Amir, head of Prasarana subsidiary RapidFerry, said the company has been looking at several ways to increase passenger traffic

and income, including promoting chartered ferries for government and corporate events.

"The ferries could be used for other activities and using them to host activities has been ongoing for some time, although we are promoting them aggressively only recently."

Osman said RapidFerry was also planning to discuss with Global Tourism Corporation and Penang Port Sdn Bhd ways to promote the ferries as a package deal when cruise ships call at the port.

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"Many ship passengers go on shopping sprees or visit museums by engaging the services of the trishaws waiting outside the port. There is a suggestion to bring these trishaws directly onboard the ferry for sightseeing and planned events."

Chief Minister Chow Kon Yeow, when asked to comment on the issue, said the state would get Prasarana and RapidFerry to share their plans for the ferry service.

"We will arrange a meeting soon with the heads of both organisations as they last briefed us on the ferry operations two months ago. But, these issues were not brought to our attention then," he said.

When contacted, Loke said it was best to refer the issue of the RM90mil and acquisition of new ferries to Prasarana president and chief executive officer (CEO) Datuk Mohamed Hazlan Mohamed.

The Prasarana CEO's office, in a statement, said that it was not appropriate to reveal any details as yet on development concerning RapidFerry and that it would update the media at the right time.