

THE REACTIONS OF KTM PERSONNEL TOWARDS  
THE EXPECTED PRIVATISATION OF KTM

PRESENTED TO

SCHOOL OF BUSINESS AND MANAGEMENT

MARA INSTITUTE OF TECHNOLOGY

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## 1. Introduction

### 1.1 History and growth of Keretapi Tanah Melayu (KTM)

The first Malayan locomotive service was introduced in Perak in 1886, which linked Taiping and Port Weld. In 1901, the railway service was known as Federated Malay State Railway. In 1984, when the Railway Ordinance was enforced, it was known as Malayan Railway or Keretapi Tanah Melayu (KTM). KTM is a government aided body which provides the sole railway service in the Malay Peninsular.

Under the Fourth Malaysian Plan, as much as \$559.26 million was allocated to KTM to rehabilitate and modernise certain aspects of the century-old railway system. This is invested on the project to replace, renew as well as rehabilitate some of the out model and life-expired facilities and equipment in the system with a view of sustaining the railway to meet its present demand and safety requirements<sup>(1)</sup>

This is to be continued in the Fifth Malaysian Plan period (1986-1990). Under the Fifth Malaysian Plan the KTM administration has proposed to the government various measures.

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