

A peacock to blur Labuan's eyesore

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LABUAN: The painting by hand of a huge colourful peacock on the facade of the ill-fated Hotel Labuan has stirred some curiosity as to what could be the reason or whether it is another attempt to conceal the long-standing eyesore.

The 11-storey, 150-room hotel which begun business in 1983 had been left to ruin since it was forcefully closed in 1997 by the then Labuan Development Authority (LDA) on grounds that it was unsafe. Since its closure the building had been vandalised and stripped of its valuable internal fittings.

In the wake of the property's closure which was a family-owned business of former Sabah Chief Minister Tan Sri Harris Salleh, legal proceedings were filed against LDA for wrongful decision.

The matter dragged in court and was finally reportedly settled out-of-court with a payment of RM38 million to the asset owner.

The property then went under the Finance Ministry.

Over the years efforts had been made to re-develop the property which stood as an embarrassing landmark in the centre of town.

Some interest was shown by potential buyers from Sabah and overseas, including from India but did not progress further.

The former General Manager of the hotel, Khatizah Harris in a report on how the hotel was closed on Nov 17 1997, claimed that 250 of the hotel's staff were treated like terrorists during the eviction. The process even involved the deployment of armed policemen. She said that the local authority officer was wearing a helmet and ordered the hotel be closed immediately as the council had declared that it may collapse any time.

The hotel when opened for business was rated 4-star with a swimming pool and guests rooms to cater for VVIPs.

Labuan Corporation CEO Dr Fary Akmal Osman was quoted in a report as saying there was a request for proposal (RFP) during the third quarter of 2020 for redevelopment of the site with a 4-star hotel and commercial development.

But many are doubtful of a positive outcome due to the Covid-19 onbreak which hit badly the balance sheet of many investors.



Hotel Labuan with the painting of a peacock adorning its frontage.