

PM on why Sabah wanted royalty hike

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By Syed Abu Bakar

ARAU, Fri. — Datuk Seri Dr Mahathir Mohamad said today that timber resources in Sabah have been over-exploited by certain irresponsible people, thereby forcing the State Government to demand a higher royalty for its oil from the Federal Government.

The Prime Minister said he did not know where the timber revenue went to, "but there are certain persons in Sabah who have become extremely rich".

He said this was one reason why certain quarters in Sabah wanted to keep away from the Federal Government.

"If they are in the Federal Government we can see what they are doing," he said at a meeting with Barisan Nasional leaders,

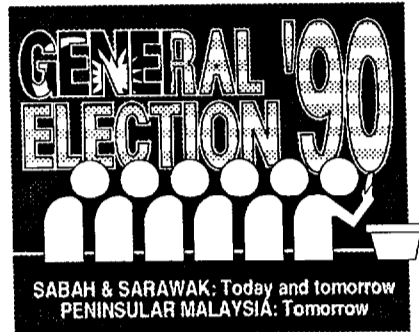
candidates and election workers here.

He also said Pas today was different from what it used to be. By co-operating with the DAP, which opposed the creation of an Islamic state, it had not included its aim of creating an Islamic state in its manifesto.

Referring to the statement by Pas *dewan ulamak* chief Haji Nik Aziz Nik Mat who hinted that it was willing to hold talks with Umno for the sake of Malay and Islamic unity, he said if Pas wished to co-operate with Umno the party must do so now and not wait until after the election.

He reiterated that Pas should stop co-operating with Semangat 46, the DAP, PBS and other opposition parties now.

Dr Mahathir, who is



Umno president, said Umno had always wanted to co-operate with Pas but its leaders had rejected the offer.

In Kuala Perlis, where he addressed a large gathering, Dr Mahathir said the BN Government spent billions of ringgit to improve the standard of living of the people.

These efforts are not aimed at fishing for votes or for glory but aimed at serving the people.

On the privatisation of National Padi and Rice Board complexes, Dr Mahathir hoped farmers themselves would take over ownership of the complexes when they were privatised.

He said the BN Government would reduce certain taxes but has no plans to abolish them altogether as funds are needed to finance development projects.

In Penang, when speaking after performing Friday prayers at Masjid Jamik Sungai Tiram in Bayan Lepas, Dr Mahathir described the support Semangat 46 leader Tengku Razaleigh Hamzah was getting from the PBS as "frightening".

He said it was sad that Tengku Razaleigh had gone to Sabah to split Malaysians.

Speaking to reporters at the Bayan Lepas International Airport later, Dr Mahathir was confident the BN would retain the State Government in Penang with a bigger majority.