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FEDERAL GOVERNMENT MAY REFER PERGAU ISSUE TO ATTORNEY-GENERAL

Mahathir - Pergau

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KOTA TINGGI, July 11, (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the federal government would refer the action of the Kelantan government to prevent federal ministers from visiting the Pergau Hydro-Electric dam project site to the Attorney-General.

Asked by reporters to comment on the Kelantan government's action, he said it was upto the Attorney-General to determine whether the action was legal or otherwise.

Dr Mahathir said he did not have official information on the matter, apart from newspaper reports.

On negotiations between the federal and Kelantan governments on the matter, he said discussions could not be held under the present circumstances,

+If discussions are held because of pressure from the other party, we will not be able to reach a fair decision,+ he told reporters after opening a housing scheme here.--more

Mahathir-Pergau 2 Kota Tinggi

IN MARANG, TERENGGANU, Deputy Prime Minister Ghafar Baba said the Kelantan government's move not to allow federal ministers to visit the Yergauhydro-electric project site would be discussed by the Cabinet before any action was taken.

He said the matter would probably be discussed at the Cabinet meeting to be held in Kuala Terengganu next Wednesday in conjunction with the prime minister's week-long visit to Terengganu.

+Any action can only be decided by the Cabinet...I alone cannot decide because it involves a lot of money and is a big matter involving many parties,+ he told reporters after opening the Marang Umno division delegates conference.

He said the government had to listen to and carefully study the views of Finance Minister Datuk Seri Anwar Ibrahim, Tenaga Nasional (TNB) and the Attorney-General before deciding on any form of action.

+We will see the situation ... if PAS continues to obstruct there will be no project. If there is cooperation there will be a project in Kelantan,+ he said when asked what action the federal government would take if both sides failed to reach a settlement on the matter. -- more

Mahathir- Pergau 3 (last) Kota Tinggi

IN BANDAR MUADZAM SHAH, PAHANG, Finance Minister, Datuk Seri Anwar Sbrahim, said the \$90 million compensation demanded by the Kelantan government, on the Pergau dam project was not mentioned in the latest documents he received from Tenaga Nasional Berhad (TNB).

Asked by reporters after opening the Rompin Umno delegates conference, Anwar said he would be issuing a full statement on the matter soon.

IN KUALA LUMPUR, the Inspector-General of Police Tan Sri Haniff Omar said he would visit Kelantan on Tuesday for a briefing on the Pergau hydro-electric dam project issue.

The Kelantan Chief Police Officer, SAC 11 Haji Rahmat Ahmad would brief him on the matter, he said.

He declined to say whether he would visit the site of the dam.

Haniff said so far no police report had been lodged on the issue.

Recently the Enforcement Unit of the Kelantan Land and Mines office reportedly blocked roads leading to the project preventing vehicles of the main contractor, Kerjaya Belfour Bepty Cementation, from entering the site.--Bernama