

# Mahathir: No reason to increase oil royalty

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KOTA KINABALU: The PBS government cannot ask for more royalty on oil found in Sabah because Sarawak and Terengganu get the same amount, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister said the five per cent royalty rate was the same for all three states.

The PBS government, he said, had demanded for 15 per cent without taking into account the other states.

Dr Mahathir said the revenue from the five per cent royalty was high but asked where the money had gone to.

"If Sarawak and Terengganu can develop themselves with the same amount, how come Sabah

cannot," he told a gathering at Tanjung Aru beach resort here yesterday.

The Barisan chairman had stopped here en route to Kuala Lumpur from Kota Kinabalu following his official visit to the Philippines.

Among those at the gathering were MCA president Datuk Seri Dr Ling Liong Sik, MIC president Datuk Seri S. Samy Vellu and Foreign Minister Datuk Abdullah Ahmad Badawi.

Dr Mahathir said the PBS leadership had fanned parochial resentment against the Federal Government through the oil royalty issue but neglected explaining to people that the other states were getting the same.

"In the peninsula, even Perlis is more developed than Sabah with the exception of Kelantan," he added.

He admitted that the Federal Government had only made the necessary allocations to Sabah.

Dr Mahathir said if the Federal Government continued developing Sabah, questions would arise over the need to support the Barisan as development continued even when people did not support it.

He said the fact was the majority of Sabahans had supported the PBS and rejected the Barisan.

On the allocation of seats among the Barisan, he said it was to ensure a Barisan victory.