

08 NOV 1998

Singapore-Malaysia

TALKS BETWEEN MALAYSIA AND SINGAPORE ON WIN-WIN BASIS

SINGAPORE, Nov 8 (Bernama) -- Deputy Premier Lee Hsien Loong said today Singapore's promise to raise funds for Malaysia in recent talks between the prime ministers of the two countries was on a "win-win basis" that will mutually benefit both countries.

"The Malaysian discussions are on a win-win basis. We have been talking about water for some time. It is not an urgent matter but something which we would like to have resolved over the long term," he said when approached by reporters after a tree-planting ceremony, here.

"The Malaysians have expressed desire to raise funds in Singapore. So, I think a deal can be worked out which is beneficial to both sides.

"It's not an exercise in Malaysian charity to Singapore or Singapore charity to Malaysia. It is a deal," he said in replying to a question on how the public here, who are facing wage cuts, would react to Singapore raising funds for Malaysia.

Lee said the two prime ministers, who met last Thursday in Kuala Lumpur, had in principle expressed the desire to work out such a deal.

Asked if this meant that there was finally an agreement for more water supply, Lee said it would depend on how discussions go.

"It's early days yet to count chickens," he said, adding that it was not a straightforward matter because many details had to be worked out between officials from both sides who have yet to meet.

The city state, which is among the world's most prosperous but resource thin, depends on Malaysia for its water supply and is seeking a new agreement for more water.

Malaysia is currently supplying raw water to Singapore under two existing agreements which expire in 2011 and 2061 at 3 sen per 1,000 gallons. Malaysia wants to supply treated water under a new agreement that has yet to be finalised between the two countries.

Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad and his Singapore counterpart, Goh Chok Tong, resumed talks four days ago in Kuala Lumpur and it was announced after the meeting that Singapore had agreed to help raise funds for Malaysia to weather the economic crisis.

Dr Mahathir also said Malaysia would determine how much water Singapore required and how it would be met.

The meeting between the two leaders was their fifth this year after a long break since April during which bilateral ties had soured over several issues.

-- BERNAMA

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