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CLOB will be treated separately, says Dr M (HL)

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THE Central Limit Order Book (CLOB) will continue to be treated as separate from the outstanding package of issues between Malaysia and Singapore, Prime Minister Datuk Seri Dr Mahathir Mohamad says.

"CLOB was not started by this Government (Malaysia). We have never participated in it and neither have we been responsible for it.

"We do not see why we should be responsible for it now," he told newsmen after opening the 46th annual general meeting of the People's Progressive Party in Kuala Lumpur yesterday.

Dr Mahathir was asked to comment on Singapore Prime Minister Goh Chok Tong's remarks last week that the CLOB issue should not be left hanging but be included in the outstanding package of bilateral issues.

"We have agreed that CLOB is a separate issue. Only water supply to Singapore and the railway matter are government issues," he said.

The two governments are expected to start another round of negotiations this month.

Dr Mahathir also dismissed suggestions that Malaysia had asked Singapore to look for alternative source of water when the existing agreement expires in 2060.

"No, we are still negotiating with them and we are willing to supply them with water on condition we gain from it," he said.

Explaining that the current agreement is heavily in Singapore's favour, Dr Mahathir said Malaysia now charges Singapore only 3 sen per 1,000 gallons of raw water but has to pay 50 sen per 1,000 gallons of treated water from the republic.

In other words, he said, not only is Singapore not paying anything for the raw water it receives from Malaysia, but it is also making money from the agreement.

"They (Singapore) take the raw water from us and sell it back to us. They take 50 sen and pay us only 3 sen.

"We are not complaining but we insist that by 2060, the supply of raw water must stop. From then on, we will supply them with treated water. This is fair," he said.

The water supply agreement was drawn up by the British, Dr Mahathir said, at a time when Singapore was favoured at the expense of Johor.

"We (Malaysia) are now an independent country. You cannot expect us to pay them 50 sen so that they can pay us 3 sen. It is a no-go thing," he said.

However, the Prime Minister gave his assurance that Malaysia will continue to supply water to Singapore, but in treated form and not raw.

"We do not want to deny them water supply. We will continue to supply raw water at 3 sen per thousand gallons until the agreement terminates in 2060.

"It has been 3 sen for ages because everytime we want to raise the price, they (Singapore) want to raise the cost of treated water. So, we feel it is only fair if we supply only treated water when the agreement terminates in 2060," he said.

At the Association of South-East Asian Nations Summit in Hanoi last December, Dr Mahathir and Goh had agreed that the two countries discuss and resolve various bilateral issues as a package.

Besides water supply, the two governments are also discussing matters related to the railway operations, a dispute which surfaced in July 1998

when Singapore moved its checkpoint facilities from Tanjung Pagar to Woodlands.

Singapore had insisted that Malaysia follow suit and move its Customs, Immigration and Quarantine facilities to Woodlands as well. Kuala Lumpur refused, saying it has every right to maintain them at Tanjung Pagar, on its own land.

Another long-standing issue is that of Peninsular Malaysia workers' savings in the republic's Central Provident Fund (CPF). Singapore would allow only Malaysians from Sabah and Sarawak, who have stopped working in the republic before their retirement age, to withdraw their CPF savings.