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Mahathir-Cooperation

RECIPROCITY VITAL IN FEDERAL-STATE COOPERATION, SAYS PM

PUTRAJAYA, Dec 18 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the federal government is prepared to forge cooperation with the PAS-led Terengganu and Kelantan governments as long as there is reciprocity.

"We welcome cooperation and we are all for cooperation but there must be reciprocity and not one-sided.... It's a little difficult if it is one-sided," he told reporters after chairing the Barisan Nasional (BN) pre-council meeting prior to the sitting of the two houses of parliament, at the Prime Minister's Department, here.

Asked what he meant by reciprocity, Dr Mahathir said: "They totally refuse to listen when we told them what to do...there must be reciprocity for the cooperation to be meaningful. If it means just taking orders, that does not amount to cooperation".

He said this when asked to comment on the statements by Terengganu Menteri Besar Abdul Hadi Awang and Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat that they wish to forge cooperation with the federal government.

On the request by Abdul Hadi for the proposed East Coast Highway project stretching from Cendering, in Terengganu, to Karak, in Pahang, to proceed as scheduled, Dr Mahathir said that the proposed project, especially its Terengganu phase, would be implemented if the Terengganu government agrees to allow toll collection.

He said that if the Terengganu government was against the imposition of toll charges, it could fund the Terengganu phase of the project or pay the toll charges for the highway users from the state.

"If they do not wish to impose toll charges, the project (Terengganu phase) has to be called off," he said.

"We want to know whether they agree or not for toll charges to be imposed because this is a privatised project. It not possible to attract the private sector to invest without any returns," he said.

The proposed highway project stretching 338km cost RM2.8 billion. Former Terengganu Menteri Besar Tan Sri Wan Mokhtar Ahmad performed the ground-breaking ceremony for the first phase of the project at the Terengganu end, from Cendering to Bukit Besi, last month.

"If the project is to proceed, they have to pay. They have lots of funds...I understand they will obtain some RM600 million in petroleum royalty as the price of the commodity has increased," he said.

Dr Mahathir said that to date, the implementation of the project in Terengganu had not been decided.

"Terengganu derives income from petroleum and if they can pay the toll charges for the people, we are prepared to accept this or let them pay the cost of the (Terengganu phase) of the highway," he said.

Asked on the intention of the Terengganu government to seek an increase of petroleum royalty, from 5 per cent to 20 per cent annually, Dr Mahathir said: "I do not know the actual basis of the request".

He said that the state government should understand that the petroleum areas were located in international waters off the Malaysian coast.

"Therefore, taking this into account, the petroleum does not belong to Terengganu, but the federal government allocated the royalty as a special token for Terengganu," he said.

In other countries, coastal districts would not get any royalty and all

incomes from petroleum belonged to the federal government, he said.

Dr Mahathir however said that the Terengganu government could make a request for an increase in the royalty payment but it would be up to the federal government to consider the request.

-- BERNAMA

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