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Kelantan-Loan

RM600 MILLION LOAN IS WITH CONDITIONS, SAYS ANNUAR

KOTA BAHARU, April 6 (Bernama) -- The federal government's promise to provide RM600 million loan to the Kelantan state government comes with several conditions which PAS leaders must fulfil, said Rural Development Minister Datuk Annuar Musa today.

He said this was to ensure that the people of Kelantan would not become the victims of PAS administrative weaknesses to the extend of jeopardising development and prosperity.

"The federal government said the loan will be given according to procedures and the standing policy is for the Kelantan government to discuss the matter further with the treasury," he said, commenting on statement by Menteri Besar Datuk Nik Abdul Aziz Nik Mat on Friday that Prime Minister Datuk Seri Dr Mahathir Mohamad had, in a letter to him, approved a soft loan of RM600 million to the state government to resolve the water supply problem which had bugged the people for the past three years.

Annuar, who is Kelantan Barisan Nasional (BN) chief, said the federal government is willing to give the loan after Nik Aziz applied officially as a follow-up to his discussion with Dr Mahathir during the latter's visit to the state in January.

"The Menteri Besar (Nik Aziz) did ask to be accorded priority in financial assistance from the federal government to correct the mistake of privatising water supply to Kelantan Water Sdn Bhd (KWSB) in 1995," he told reporters.

He said that although many BN supporters disagreed with idea of helping the Kelantan government to get out of the blunder of their own doing, the federal government was doing it "not to help PAS but to help the people of Kelantan."

The water supply issue in Kelantan has not been resolved because the state government is believed to have still owed Thames Water Sdn Bhd RM50 million for the company's 70 per cent equity in KWSB.

Meanwhile, Deputy Minister in the Prime Minister's Department Datuk Ibrahim Ali said PAS was trying to pull the wool over the people's eyes by saying that the federal government had agreed to provide the loan to resolve the water supply problem.

But, it did not say that the loan was subjected to conditions including working together with the federal government, he said.

--BERNAMA

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