

27 OCT 2000

Budget-Mahathir (Special Payment)

FEDERAL GOVT ACTS ACCORDING TO THE LAW OVER SPECIAL PAYMENT

KUALA LUMPUR, Oct 27 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that PAS will not dare argue against the special payment made to Terengganu in the legal context as it is clearly not a royalty payment as claimed by the party.

He said that the federal government acted according to the law regarding the payment because royalty would only be paid for oil exploited on Terengganu land and three nautical miles offshore.

"As such, if you were to ask from the legal aspect...that's why they don't take up the legal question," he told a news conference after the tabling of Budget 2001 by Finance Minister Tun Daim Zainuddin in the Dewan Rakyat, here.

He said that from the legal aspect of the agreement made, as to whether it was royalty payment or special payment, it was clearly a special payment.

He was asked to comment on the uproar in the Dewan Rakyat during the tabling of the Budget by the opposition when Daim mentioned the word "wang ehsan" (special payment).

Dr Mahathir said that the exploration and drilling of oil outside the specified area were not of Terengganu's concern.

"This is a question of the opposition...angered over what was previously referred to by us as royalty but now as special payment. I admit that previously we used the word royalty but the fact remains that it is not royalty but special payment," he said.

"Like they say, a rose by any other name smells as good...so whether you call it royalty or special payment, it is a rose, and the rose is that it is special payment," he said.

Asked to comment on efforts by the PAS-led Terengganu government to exploit for oil within three nautical miles from the coast, he said that if there was oil, then in that case it could obtain royalty payment.

"Because that's the law...we go according to the law," Dr Mahathir said.

He said that in selecting the use of "royalty" and "special payment", even a minister could sometimes make mistakes if he was not careful.

On the government's frustration over the performance of Malaysian athletes at the recently-concluded Sydney Olympics as expressed by Daim, Dr Mahathir said it was reality.

"We have to face reality. We spoil our athletes by giving them land, money, all kinds of things until they become so very arrogant that they think they are there because of themselves," he said.

He said it was sad that those athletes chose to ignore the national support given to them.

"They must also think of what they can contribute towards the country," he added.

In his speech, Daim said that even though a large amount of money had been spent, and facilities and incentives provided, what was expected of the athletes did not materialise.

-- BERNAMA

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