

19 DEC 2000

Rais-Royalty

FEDERAL GOVT READY TO FACE LEGAL SUIT OVER OIL ROYALTY

KUALA LUMPUR, Dec 19 (Bernama) -- The Federal Government reiterated its stand today that it was prepared to face the possibility of being taken to court by the Terengganu government following dissatisfaction over the Special Payment issue.

Minister in the Prime Minister's Department Datuk Dr Rais Yatim said the Federal Government was ready with the arguments pertaining to the issue.

"The Federal Government was prepared to meet them in court and would present the arguments we have on the Special Payment to the people in Terengganu," he told reporters at the Dewan Negara lobby.

Dr Rais said the right to fight for something for the interests of a particular group through the courts was the fundamental right of the group and in this issue, everything depended on the discretion of the Terengganu government.

"Earlier, I was informed that they (Terengganu government) would not resort to legal means but now they might have changed their mind," he said.

Terengganu Menteri Besar Abdul Hadi Awang said yesterday that the PAS-run state government would take legal action against the Federal Government to restore what he claimed as the Terengganu's right for oil royalty.

Asked on the possibility of the government reviving the Law Ministry, Dr Rais said it was the prerogative of Prime Minister Datuk Seri Dr Mahathir Mohamad.

-- BERNAMA

AKT AKT TS