

Rise in water tariffs necessary, says PM

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With salary increases, costs of goods and services will go up as well

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SHAH ALAM, Sun: The proposed increase in water tariffs for Kuala Lumpur, Selangor and Putrajaya by between 50% and 100% is necessary in view of the increasing cost of developing water supply projects and services, Datuk Seri Dr Mahathir Mohamad said.

The people cannot expect the rates to be maintained without any increase for a long period when the Waterworks Department is facing increasing costs, the prime

minister said.

"We have been experiencing an increase in all other things and with the water tariffs maintained, it is not balanced, even the wages have gone up by about 10%.

"If we get a salary increase together with the staff of the department, surely there will be an increase in operation costs, therefore, we cannot afford to maintain the tariffs for water and electricity without increasing them forever," he said.

Mahathir, who was speaking at a press conference after launching the New Millennium Patriotism gathering here today, said the

people cannot expect to receive a salary increase and expect costs of goods and services to remain stagnant.

"What is more important is that the increase in our salary should be more than the increase in goods including water rates," he said.

On the 5.5% dividends paid out by the Tabung Haji Board to its investors last year, Mahathir said investors have to accept that there are losses and profits in any business.

"If we always look forward to a fixed profit, it is almost impossible, as there are always ups and downs in business.

"If we always expect the government to top up whenever there is less profit, then it is not a business," he added.

The prime minister also said that Tabung Haji has engaged the professional services of internal and external auditors to check its accounts and if any questions arise in the management of the accounts, the board can be made answerable.

Mahathir said the lower dividends paid out to Tabung Haji investors cannot be avoided as the stock market has been experiencing a downturn.