

Singapore to 'compete and co-operate'

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KUALA LUMPUR: The good personal ties between Malaysia and Singapore leaders should be broadened and deepened despite the issues affecting the relationship of both countries, Singapore Deputy Prime Minister Brig-Gen Lee Hsien Loong said yesterday.

He said there would always be competition between both countries, but there would be co-operation too.

"Our competition is not primarily with each other. It is with the wider global environment. We are talking about the global economies of scale.

"New players like China are coming in, and that is what we have to be concerned about. There will always be competition between Singapore and Malaysia but there'll be co-operation between us too," he told reporters after meeting Foreign Minister Datuk Seri Syed Hamid Albar at the Mandarin Imperial Hotel here.

Lee, who is on a four-day visit to Malaysia, said he told Syed Hamid that communica-

tions between both countries needed to be carried out from time to time so that if any problems occur, both sides could then understand each other's perspectives before talking to each other.

Lee said Singapore's land reclamation project was within its rights and territory and in accordance with international law.

He clarified that he did not ask Malaysia to send a formal protest note, adding that he only asked Malaysia to send a note on the issue and his government would look into the matter.

On the negotiations on the outstanding package of issues between both countries, Lee said the negotiations were meant to be beneficial to both countries.

He added that the dealings should be done "in a cool, rational and calculated manner. The deal is supposed to be for the long term."

Lee said Singapore would need time to digest the new proposition forwarded by Prime Minister Datuk Seri Dr

Mahathir Mohamad before a proper response was given to Malaysia's new proposal on the package, which included the new formula on the price of water sold to the republic.

At a separate press conference later, Syed Hamid said Malaysia was happy with Singapore's understanding on its position on the republic's land reclamation project.

Syed Hamid said any reservations by Malaysia on the issue would be done in accordance to the law.

"We want to make sure that everything that is done on Singapore territory does not affect the environment and us," he added.

He said Lee had always wanted to "touch base" with Malaysian leaders since his last visit here in 1995.

"Brig-Gen Lee felt that by closer interaction, both countries could understand each other better," he added.

On the new formula on the price of water, Syed Hamid said Malaysia would give Singapore time to respond to the fresh proposal.