

14/10/2002

Malaysia to seek legal recourse if no headway made on water price issue

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KOTA TINGGI, Sun. - Malaysia may seek legal recourse on the water price issue with Singapore if no headway is made in the next round of talks on Wednesday and Thursday, Foreign Minister Datuk Seri Syed Hamid Albar said.

Criticising Singapore for delaying a solution that could benefit all parties, he said the outcome of the up-coming talks would be an indication of the republic's sincerity in resolving the longstanding issue.

"We will give them another chance as we want to know if the Singapore Government is interested in solving the issue. They have not shown their sincerity, as if they are only meeting us to delay a solution.

"If they are not keen on solving the problem, we will settle it through a court of law, through arbitration or whatever the agreement provides," he said after a Puteri Umno gathering at Kampung Makam here today.

Syed Hamid appeared irked by the statement made by Singapore Prime Minister Goh Chok Tong in the republic on Friday that Datuk Seri Dr Mahathir Mohamad had misunderstood Goh's intentions when the two recently met in Putrajaya.

"We have been talking and negotiating with them, but we seem to be talking in different English. We think that our comprehension of the language is very reasonable (but) every time we come to an understanding, they later deny it.

"This process then goes on and on, and it is not very good. We want to move forward and if we cannot settle it through negotiations, the agreement allows us to settle the matter in a court of law. So, we will do that."

When asked if the upcoming meeting would focus solely on the water issue, Syed Hamid said: "They agreed to that. In fact, they asked for it. Water has to be discussed first, the other issues must come later.

"If we cannot progress in the water issue, the others cannot progress.

"The core issue is that we have been suffering since 1986 and they have been enjoying the best of our water at a rate which is no longer tenable."

Singapore has been buying raw water from Malaysia at three sen per 1,000 gallons under two water agreements signed in 1961 and 1962.

Seeking an increase in the price, which was due for review in 1986, Malaysia proposed in July that Singapore pay 60 sen per 1,000 gallons from now until 2007 and RM3 per 1,000 gallons between 2007 and 2011.

It also wants a new price formula when the first agreement with Singapore expires in 2011.

The second agreement ends in 2061.

Singapore has offered to pay 45 sen per 1,000 gallons from now until 2011 and 60 sen per 1,000 gallons until 2061.

Syed Hamid said it was Singapore's right to backdate payment of treated water just as much as it was

Malaysia's right to backdate the raise in raw water prices to 1986, as that was when the price first came up for review.

"They have asked us to come up with a formula in tandem with the original agreement, asking us to take into account their alternative sources of water. But they only want to include NEWater, which is treated sewage water.

"We know that they also get water from desalination and (we want to) include both in the formula because that is the cost of water they produce without our water. We want to resolve the matter, but not at all cost."

