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Need to settle water issue: PM

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MALAYSIA-Singapore relations will not turn sour although discussions on a broad range of issues have stalled since both countries failed to agree on the sale of water to Singapore, Prime Minister Datuk Seri Dr Mahathir Mohamad said.

"I don't think so (that relationship will turn sour). Our relations can be okay but this thing (water supply issue) must be settled as soon as possible," he told newsmen after launching the Finance Ministry's Quality Day celebrations in Kuala Lumpur yesterday.

Dr Mahathir said the longer the negotiations drag on, the more money Malaysia is losing.

"When Singapore delays negotiations and refuses to accept our request (on the price of raw water supply to the republic), we will be losing money everyday," he said, adding that Malaysia is not asking for RM8 per 1,000 gallons per day of raw water as charged by mainland China to Hong Kong, but a reasonable price.

On how much the reasonable price is, Dr Mahathir, who is also the Finance Minister, declined to reveal, adding that it is not proper for the Government to negotiate through the press.

Earlier reports said that Malaysia declined to accept the new price of 45 sen offered by Singapore as it was far too low compared to what the republic had gained by selling the refined water at 50 sen for 1,000 gallons per day. Currently, Singapore is paying 3 sen for 1,000 gallons of raw water per day from Malaysia.

Dr Mahathir was asked on a news report which said that Singapore had asked Malaysia to set out its position on outstanding issues, including water supply and Malaysian-owned railway land in Singapore, in the latest development in their negotiations.

On this, the Prime Minister reiterated that discussions on the common issues will now be handled by government officials of both countries.

"We have made known that the Government will now deal with all matters in detail," he said.

Malaysia and Singapore in September last year agreed in principle to resolve all outstanding issues between them.

The agreement was reached during bilateral discussions jointly chaired by Dr Mahathir and Singapore Senior Minister Lee Kuan Yew in Putrajaya.

The outstanding issues include the sale of water to Singapore, the points of agreement for the development of railway land owned by KTM Bhd, and the status of the Malaysian Customs, immigration and quarantine facility at the KTMB station in Tanjung Pagar.

Two other issues concern the use of Malaysian airspace by the Singapore Air Force and the withdrawals from Singapore's Central Provident Fund by our workers.

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