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S'pore-Utusan

WATER ISSUE GETS A REPLAY, S'PORE CHARGES BACK

SINGAPORE, Jan 20 (Bernama) -- The Straits Times, a newspaper owned by Singapore Press Holdings, charged back at Utusan Malaysia for accusing Singapore of profiting from the water it buys from Malaysia.

"There is ample evidence that Johor profits from the treated water it gets from Singapore," said the Straits Times, in its comments entitled 'What The Paper Didn't Say' in response to Utusan's recent articles on the water agreements between Singapore and Malaysia.

Said the Straits Times: "The paper (Utusan) accuses Singapore of profiting from the water it buys from Malaysia. The basis of this accusation is the price Singapore charges ships that dock in its harbour for the water it supplies them."

Water sold to ships, according to the newspaper, accounted for less than one percent of Singapore's annual consumption, "and there is no reason to assume this water comes from the Johor River, not Pierce Reservoir."

Giving Singapore's side of the story, the Straits Times said that under the terms of the 1961 and 1962 agreements, Johor was entitled to buy 15 million gallons of treated water daily, at 50 sen per 1,000 gallons.

The state had been buying 37 million gallons instead (22 million more than it is entitled to) and selling to its own people at an average price of RM3.95 per 1,000 gallons.

"As it costs Singapore RM2.40 to treat 1,000 gallons, the Singapore taxpayer in effect subsidises Johor to the tune of RM1.90 per 1,000 gallons, while the Johor government reaps a profit of RM3.45.

"It is precisely because of this that the Malaysian government did not re-negotiate water prices in 1986 or 1987, as it was supposed to, not because it felt particularly "neighbourly", as Utusan says," said the Straits Times.

The newspaper also quoted Johor State Assembly Speaker Zainalabidin Mohamed Zin as saying on July 3 last year that the Johor state government had not made a mistake in not pressing for a review in 1986.

"There was no point in doing so, he argued, because Johor was dependent on Singapore for its treated water and Singapore would have increased its price if Johor had charged more for raw water."

It also quoted Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad as saying on Oct 11 last year that Malaysia had not insisted on a price review in 1986 because Singapore would have revised the price of treated water in response.

"Utusan makes much play about Singapore refusing to consider a price review. It fails to mention that it had been prepared to do so once - if the matter had been negotiated as part of a package of issues, including the supply of water beyond 2061.

"That was the basis of the tentative agreement Senior Minister Lee Kuan Yew reached with Dr Mahathir in September 2001. Singapore agreed to pay 45 sen for water purchased under the current agreements; and accepted Malaysia's offer of 60 sen for future raw water for 100 years after 2061, with the price to be reviewed every five years for inflation."

It said that "the 60 sen was Dr Mahathir's offer, not something SM Lee plucked from the air, a fact that the Malaysian leader acknowledged recently. He said he changed his mind later when his officials told him Malaysia could get a higher price."

The Straits Times today, with its own headline 'History of water

according to Utusan Malaysia,' ran translated excerpts of Utusan's articles, which "provided an insight into Malaysian thinking on the agreements, their view of history, and their perceptions of the reasons for the current impasse in the water talks."

The articles referred to are: 'Free Water for Singapore" (Jan 6), "Serve the notice so as to take over water plants (Jan 7); and "The fact is that it should be after 25 years. (Jan 8).

-- BERNAMA

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