

17 JUN 2004

Mahathir-Penang

HONORARIUM PAID TO KEDAH FOR PENANG AND SEBERANG PERAI NO LONGER SUITABLE, SAYS DR MAHATHIR

ALOR STAR, June 17 (Bernama) -- Former Prime Minister Tun Dr Mahathir Mohamad has called for the review of the honorarium of RM10,000 paid by Penang each year to Kedah for the acquisition of the Penang island and Seberang Perai.

He said the amount was no longer suitable at present as the payment agreement was made during the British colonial rule.

"Kedah should ask Penang for a review of the payment," he said at a reception given in his honour at Wisma Darul Aman here last night.

The Sultan of Kedah was also present during the reception in appreciation of the services rendered by Dr Mahathir when he was the country's prime minister. Kedah Menteri Besar Datuk Seri Syed Razak Zain.

"We must make a demand because with RM10,000 now you can't even buy a house, or else we ask that Penang and Seberang Perai be returned to us," he said in lighten vein.

He said that when the agreement was made, the British agreed to pay 10,000 in silver but this was later based on the currency of the straits settlement states, whose value was much lesser.

According to history, Kedah under the rule of Sultan Abdullah ceded Penang to Captain Francis Light, who represented the East India Company, in 1796 and Seberang Perai in 1800 for protecting Kedah from Siamese attacks.

However, Kedah was defeated in 1821 and Siam was forced to return Kedah to the British in 1909.

Dr Mahathir also said Kedah should also consider charging Penang for the raw water it had received for free for years.

"Singapore and Melaka have to pay to get the water from Johor but Kedah, a poor state at that, supplies raw water for free to a rich state like Penang," he said.

He said that when the Penang state government privatised its

water supply, it meant that it made money from the free water it got from Kedah.

Earlier in his speech, Dr Mahathir apologised to the Kedah state government for not being able to fulfil all his promises pertaining to the development of Kedah when he was prime minister.

He hoped that the current leadership could continue or do something to develop the state as planned.

"As prime minister then I couldn't give attention more than deserved to Kedah, lest people would say that I only favoured Kedah," he said.

-- BERNAMA

MNH ABG