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Dr M: No more water loans if Federal control is opposed

PUTRAJAYA, Sun. - The Federal Government will stop any further loans or aid to Kelantan and Terengganu if the States are adamant in their stand against the National Water Council's proposal for the central Government to take over the management of water resources, Datuk Seri Dr Mahathir Mohamad said tonight.

Singling out Kelantan as the State with the most severe problem in water management, the Prime Minister said it could not expect any further Federal funds and must repay its existing loans, which ran into hundreds of million ringgit.

Dr Mahathir said that it would be meaningless for the Federal Government to continue channelling more funds to Kelantan for its water management if the people continued to suffer with poor water supply and quality.

Dr Mahathir said the best way would still be for the State Governments to fully back the proposal through their respective State Assemblies.