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`No agreement on water price'

Ramlan Said

KUALA LUMPUR, Wed. - Malaysia has never agreed to a new price for raw water supplied to Singapore and neither is there any agreement on pricing signed by the prime ministers of both countries.

The National Economic Action Council put forward these facts to counter claims by the island republic that Malaysia had many times agreed to a new price and then repeatedly "shifted the goal posts".

The facts exposing Singapore's lies are revealed in the fifth advertisement (see page 5) placed by the NEAC in newspapers to counter misconceptions and allegations by the Singapore Government on the stalled water talks.

It says Malaysia has never once accepted Singapore's many offers.

The NEAC produced an excerpt from a letter dated Aug 24, 2000, sent by Singapore Senior Minister Lee Kuan Yew to the then Finance Minister Tun Daim Zainuddin as evidence that no agreement on a new price was ever reached.

"To make it easier for us to write to each other, to test various options, all notes and letters I send to you or Mahathir (Prime Minister Datuk Seri Dr Mahathir Mohamad), or vice-versa, will be treated as Without Prejudice: That there is no agreement until all points are agreed and signed by the two PMs".

The fifth advertisement declares: "All points have never been agreed. No agreement has been signed by the Prime Ministers of Malaysia and Singapore."

Singapore Foreign Minister S. Jayakumar told its Parliament last January that the difficulties in resolving the water issue arose because Malaysia repeatedly changed its position, and shifted their goal posts each time both sides neared an agreement.

The republic's Ministry of Foreign Affairs, in a reply on Monday to media enquiries on Malaysia's move to place the advertisements, charged that Malaysia had accepted Singapore's offer to raise the price of raw water from three sen to 45 sen and again to 60 sen, only to renege on the deal later.

The advertisement also cited a news report in the republic's The Straits Times on Aug 15, 2000, as further proof that both sides had yet to agree on any new price.

"The agreement reached by Senior Minister Lee Kuan Yew and Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad last Tuesday is now being filled out by officials. The details they have to tackle include the price of water under the current agreement."

The report refers to a meeting between the two leaders in Kuala Lumpur where the water issue was discussed.

The NEAC has embarked on a series of advertisements in newspapers, providing readers with facts and figures, to set the record straight after the publication and distribution of a booklet by the Singapore Government which blamed Malaysia for the failure to reach an agreement on the water agreement.

The first advertisement, published on Sunday, revealed the excessive profit made by Singapore from processing and selling raw water sourced from Johor to Singaporeans.

The second advertisement touched on how Malaysia has been subsidising the city state for its water requirements 18 times more than the subsidy

given by Singapore. Johor buys treated water from Singapore at 50 sen per 1,000 gallons.

The third instalment focused on how each Singaporean would only need to pay Singapore 26 cents for the water supplied by Malaysia for an entire year, while the fourth advertisement conclusively showed that Malaysia had not lost the right for a price review as claimed by Singapore.

Meanwhile, NEAC executive director Datuk Mustapa Mohamed said the advertisements had achieved its objective in explaining the factual truths to the people.

He said that there would not be a second round of such a campaign when the eighth and last advertisement is published in the newspapers on Sunday.

"We have eight advertisements altogether, published in the local media and the last one will be on Sunday," he said after opening the 18th National Economic briefing.

He was commenting on developments following the move to placethe advertisements.

He was echoing the sentiment of Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi expressed yesterday.