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Wrong to stop Federal water loans

KUALA LUMPUR, Mon. - Terengganu and Kelantan have said it will be wrong to stop Federal loans for water management to the two States as it will affect the goodwill between them and the Federal Government.

Both States believed that such a move was against "the spirit of federalism".

In Kuala Terengganu, Menteri Besar Datuk Seri Abdul Hadi Awang said today it was morally wrong to stop approving loans for water management to the two States.

"The spirit of goodwill will not be there," he said when commenting on the statement by Prime Minister Datuk Seri Dr Mahathir Mohamad that the Federal Government would stop any further loans or aid to Kelantan and Terengganu if they were adamant in their stand against the National Water Council's proposal for the Federal Government to take over the management of water resources.

He said the Terengganu Government was willing to cooperate in the event of a national problem relating to water supply.

In Kota Baru, Menteri Besar Datuk Nik Abdul Aziz Nik Mat said the Federal Government cannot force Kelantan to hand over its water management. Any attempt to do so was against the spirit of federalism.

He said the State would not budge from its decision to continue administering its water supply.

"I do not know why it had suddenly become a big issue. Maybe because the election is near," he said, in jest, to reporters at the Sultan Ismail Petra Airport on his arrival from a Pas ceramah in Johor Baru today.

On the loans or aid, Nik Aziz said there was no reason not to extend help to Kelantan if a rich State like Selangor was still receiving them.

He said that as far as Kelantan was concerned, water concessionaire Air Kelantan Sdn Bhd (AKSB) was coping well with the task and water supply had been improved with the RM600 million Federal loan.