

K'tan oil royalty request 'valid', says deputy minister

MalaysiaKini.com

Aug 5, 2012

By Koh Jun Lin

Deputy Higher Education Minister Saifuddin Abdullah has lauded the government's decision to set up a committee to review the distribution of oil revenue in east coast states, as it is a legitimate concern of Kelantan's people.

"I think it is a good idea. The request for a share of the oil revenues is valid request from the people of Kelantan," he told reporters at a press conference today.

Saiduddin said that the panel should first look into the dispute on whether the payments made are a form of royalty, or wang ehsan (goodwill payments).

The minister pointed out that the parliament deputy speaker Wan Junaidi Tuanku Jaafar had already ruled in parliament the money currently being paid are goodwill payments while the Kelantan government insisted that they deserved royalty.

"If we think that the term is not 'royalty', the way we would look at the issue is different. However if it is not royalty, but we insist that it is, it would raise emotions and things would be different.

"In the end, the real issue could not be discussed properly because we would be too busy arguing over terminology," he said.

The committee was announced by Prime Minister Najib Abdul Razak yesterday, and is to be led by Former Chief Justice Abdul Hamid Mohamad.

He said upon establishment, the committee would have six months to study and determine which states are eligible to receive cash payments for petroleum revenue, as well as the method and sum of the payment.

The committee is slated to include legal experts, as well as representatives from Pahang, Kelantan and Terengganu.

When asked whether the committee would create more confusion and solutions, Saifuddin shot down the idea and said he is a believer in consulting stakeholders, and the committee may hold town hall-style meetings.

"It is a good way of settling this issue, hopefully once and for all," said the Temerloh MP.