

PKR issues a 'water' warning

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PKR strategy director Rafizi Ramli has warned the federal government not to use its powers under the Water Services Industry Act (WSIA) to raise water tariffs in Selangor and unfairly compensate existing water concessionaires if it invokes Section 114 of the act.

The government has expressed its intention to invoke the act, which Rafizi said will deliver administrative power to the federal government to manage all water concessionaires in the state.

"They could use this power as a political ammunition against the Selangor state government, and might even raise water tariffs," he said during a press conference at the PKR headquarters today.

Rafizi said the state government must be careful in believing the federal government after the latter said it could invoke Section 114, which would allow the federal government to consolidate all water concessionaires under its own management.

"I am seeking a guarantee that BN won't use the power to their advantage to reward the water concessionaires. They could benefit unfairly from this exercise," he said.

He said that despite any assurances given by the federal government, it could always change its mind and decide on the terms of the takeover on its own.

"I am afraid that if we are not careful, the federal government will again choose Puncak Niaga and Syabas as the parent companies authorised to take over the assets of all other concession holders," he said.

He also said the exercise might see another series of lopsided agreements that benefit water concessionaires, akin to the ones that exist in the state water privatisation that is currently in effect.

"The federal government could use this to punish Selangor people who have voted overwhelmingly for Pakatan in the last election, by raising water tariffs.

"And when election is around the corner, they could pressure the state government and use it as political ammunition," he said

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