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Subject: Remarks by Foreign Minister Professor S Jayakumar in Parliament, 9 March 2000 on Singapore-Malaysia Relations

# *Singapore Government*

## ***PRESS RELEASE***

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### **Remarks by Foreign Minister Professor S Jayakumar in Parliament, Thursday, 9 March 2000 on Singapore-Malaysia Relations**

#### **Overall state of relations**

As far as the overall state of relations is concerned, I last updated this House when we discussed Malaysia-Singapore relations on 17 Jan 2000. I updated members on the status of the package negotiations on outstanding bilateral issues with Malaysia.

I would describe our relations with Malaysia to be in a "holding pattern". Following three rapid rounds of discussions on outstanding bilateral issues in March, April and May last year, the momentum of negotiations, except on CLOB, have grounded to a halt. We all know that for the better part of 1999, Dr Mahathir and his government had been pre-occupied with domestic issues such as the General Elections on 29 Nov, and there has not been a focus on relations with Singapore. Now that the elections are over, it is our hope, of course, that efforts can be resumed to renew and enhance the cooperation between our two countries.

Having said that, let me emphasize that Singapore and Malaysia are bound by a multiplicity of different ties. Any such close relationship

inevitably must go through different phases. I think it is natural that there will be ups and downs.

But, Singapore's relations with Malaysia will be marked by both competition and cooperation to advance our respective national interests.

Singapore's position, Sir, still remains unchanged, that is, we are committed to forging a long-term mutually beneficial relationship with Malaysia, based on mutual respect, trust, reciprocity and mutual benefit. We believe in the principle of prosper-thy-neighbour, and we would continue to take a constructive approach towards realising the full potential in our bilateral relationship.

#### Update on the Package Negotiations

Members also asked for an update on the Package Negotiations. As I have said, Senior Officials met in March, April and May last year to discuss the package of outstanding bilateral issues.

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Singapore tried to be helpful and has taken the approach of offering “maximum benefits for both sides” by trying to accommodate new Malaysian requests on issues such as the POA, and the CPF withdrawal by West Malaysians. However, Malaysia has not given any indication that it is prepared to accommodate Singapore’s requests on the various issues especially on the supply of raw water to Singapore after the expiry of our water agreements.

I have already informed the House on several occasions that it is Malaysia’s turn to host the next round of talks. The Malaysians have on several occasions indicated that they are aware that the ball is in their court. But they have not yet responded with specific dates.

We want to resolve these issues as soon as possible. When Malaysian Foreign Minister Datuk Seri Syed Hamid visited Singapore last year (July 99), we agreed that officials on both sides should try to narrow the gaps on the issues, so as to arrive at a “win-win” package deal. That continues to remain our expectation and our approach.

However, it would seem that the immediate priority of the Malaysians is the UMNO General Assembly elections in May. As such, it remains to be seen whether there will be significant movement on the discussions of the bilateral package before that. It is clearly in the best interests of both countries to resolve these issues as soon as possible.

I will not touch on the CLOB issue where the Singapore Exchange and the KL Stock Exchange have reached a legally binding solution, because the Deputy Prime Minister had dealt with this in this House comprehensively yesterday.

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#### POA/Railway Land

On the POA/ Railway land, let me reiterate that the fact that there is a package discussion and that it is taking some time does not in any way affect the legal position of these agreements and undertakings under the law. Some of the issues involve questions of principles and of law. And these positions of principle, whether it is on sovereignty or on legal interpretations of existing agreements such as on railway land, have to be maintained by Singapore.

For example, under the Points of Agreement, Members will recall that

there are clear legal undertakings and responsibilities and a time schedule which has to be adhered to. There are certain obligations to be performed and undertaken under the agreements and that continues to be our position. And I pointed out in Parliament on 5 June 1997, the POA provides for a “maximum period for the railway station to be moved from Keppel, that is within five years from the time the MRT reaches Woodlands New Town, which it did on 10 February 1996”.

Some members also referred to Pedra Branca, but I wish to point out to the members and they may recall, I had earlier informed this House on 20 January 1999, that officials from Singapore and Malaysia on 14 April 1998 did reach agreement on the text of a Special Agreement to refer Malaysia’s claim to Pedra Branca to the International Court of Justice. Hence, this matter is no longer a pressing issue, which explains why it was not included in the package of outstanding issues for bilateral negotiations.

#### Reply to Chiam See Tong

Mr Chiam See Tong had reiterated his suggestion for an economic union between Singapore and Malaysia. I would refer to what Prime Minister Goh had said in reply in this House on 5 June 1997, and I quote:

“He (Mr Chiam) got his economic history of our Malaysia days wrong, and he has ignored important non-economic factors, but the economic logic of his proposal is correct. However, cooperation takes two willing parties. I do not think this is the right time to talk about an economic union when bilateral relations are strained and we are still having difficulties implementing specific items of cooperation.” And he said, “Singapore and Malaysia share a symbiotic relationship. I fully subscribe to Dr Mahathir’s philosophy of ‘prosper-thy-neighbour’. It is an important way to strengthen our two countries’ symbiotic relationship and help each other to become developed.”

What Mr Chiam is saying is that there are various economic projects - whether they might be an economic union, or Suzhou-type Industrial Park - that the two sides could undertake to strengthen economic cooperation. I agree. I would say there are endless opportunities for both countries to cooperate for mutual benefit. But, there must be political will on the other side to respond to Singapore’s efforts. And if there is any perceived lack of progress on economic cooperation, let me say it is not due to any lack of effort on our part.

Members of the House may recall that Prime Minister Goh had proposed a framework for wider cooperation with Malaysia, in line with the “prosper-thy-neighbour” philosophy which Dr Mahathir had espoused. Under this framework for wider cooperation, Prime Minister Goh had proposed concrete cooperation projects such as the development of water resources in Malaysia for sale to Singapore, and the joint development of Malayan Railway land in Singapore. Members may also be aware that Prime Minister Goh had spent a lot of time and effort, and in fact, he met with Dr Mahathir eight times in the past two years. More recently, Prime Minister Goh has indicated that he was prepared to meet Dr Mahathir. We will continue to press on and persevere with our efforts to promote bilateral cooperation.

#### Reply to Zulkifli Baharudin

Mr Zulkifli Baharudin’s suggestion was for more resources to be made available to the civic societies, and in particular the Singapore International Foundation and Singapore Institute of International Affairs, for the promotion of people-to-people cooperation between Singapore and Malaysia. I would agree that the fostering of good relations is not the sole prerogative of governments. The private sector, civic organisations, cultural associations, and sports associations, all play a role in promoting good relations with our neighbours.

As to his specific suggestion that more finances and resources be made available to the civic bodies, if there are specific and worthwhile projects and a request is made to MFA, we will certainly consider them on a case-by-case basis. But the Member would be aware that these are autonomous organisations. They may want to retain their autonomy.

#### Malik Tahir’s letter

Mr Charles Chong, Mr Hawazi Daipi and several other Members had spoken about the letter by Mr Malik Tahir, which was published recently in our local press. Do Mr Malik Tahir’s views typify the general feelings of Malay Malaysians? I cannot speculate if his perspective represents the views of the majority of Malay Malaysians. We should make a distinction between views expressed by such individuals and private parties on the one hand, and official views of a Government.

As I had mentioned in the House before, Singapore and Malaysia had

in fact evolved and developed after Separation as two distinct societies, and it would not be possible for Singapore to give up its system, which is based on meritocracy and multi-racialism. But our approach should be, notwithstanding the differences in our two systems, both countries stand to benefit greatly from bilateral cooperation. Such cooperation must be on the basis of sovereign equality and mutual benefits. It cannot be on the basis of an unequal or deferential relationship prescribed by Mr Tahir.

Connected with this matter, Mr Sin Boon Ann asked if we are doing enough to put our position across to the Malaysians, so that our views, stand and opinion would be better disseminated to the Malaysians. Let me say that whenever an issue arises, we would take all measures to put our views across, not only here but also in Malaysia. Where there are Malaysian media reports which are erroneous, we rebut them. We have also published our speeches, press releases and rebuttals on our MFA website as well as the website of our Mission in Kuala Lumpur. Therefore, I want to assure members that MFA and our Missions abroad have been proactive in putting Singapore's views across when necessary. This has even been noted by the Malaysian media. The New Straits Times reported on 29 February 2000 that:-

“One of the lessons of the CLOB affair is perhaps the value of effective public relations. The Singaporeans had their whole Government involved, including their overseas missions, telling their side of the CLOB story. In KL, for example, the Singapore High Commission was sending copies of CLOB-related documents to the media. The same intensity was absent from the Malaysian side.”

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### Causeway Bridge

Mr Charles Chong had asked about the latest developments, if any, on the Singapore-Johor bridge which Malaysia was reported to have proposed to construct to replace the Causeway. The answer to that is we have not received any official proposal from the Malaysian government. As this is an important issue involving two sovereign countries, we can only consider a formal proposal from the Malaysian government and not any other party.

Mr Chong also referred to news reports from Malaysia to the effect that the Malaysians had briefed Prime Minister Goh during his recent visit to Johor. Indeed, during the Hari Raya party which the Johor Menteri Besar

had hosted for PM on 30 January, the Menteri Besar Datuk Abdul Ghani showed PM some models and pictures of a possible new bridge over the Causeway, but there was no discussion of the issue. PM made it clear to the Johor Menteri Besar that it should be regarded as a “non-briefing”, in other words, it was not an official briefing. As I have said before, Singapore has to date not received any official proposal from Malaysia.

If and when an official proposal is received – there will be some key questions to be studied and assessed. First and foremost, what is the need or justification to replace the Causeway with a bridge? And if there is a proposal, we need to consider carefully whether it is feasible and we will have to carry out a cost-benefit analysis. If our study shows that the proposal is not feasible, we will not support it. Anyway, as I said, there is no proposal put to the government and there is nothing to study.

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