

# 'Water hike won't be taxing'

## CM: Lower-income groups and places of worship not affected by review

PENANG's water tariff review proposal will not affect the lower-income groups and houses of worship, says Chief Minister Chow Kon Yeow.

He said the review would not adversely affect or burden the lower-income groups as well as houses of worship.

As directed by the state government, he said, Penang Water Supply Corporation (PBAPP) would continue implementing its water supply related corporate social responsibility (CSR) schemes, loans and rebates in the state.

"PBAPP's key CSR commitments cover the Hardcore Poor Housing Programme (PPRT) for households with income below RM790 per month or less.

"If they do not have piped connection, we will lay the pipeline free of charge.

"If they already have piped connection, they are then given free water supply up to 60,000 litres per cycle of two months.

"For households with an income of RM1,000 per month or less, we help them get piped water supply by offering interest-free loans of up to RM1,500 for the water pipeline connection that is repayable in 50 instalments via their monthly



Jaseni (left) and Chow speaking to reporters during the press conference.

water bill charges," he told a press conference after the launch of the Education Gallery at the Penang Botanic Gardens Department along Waterfall Road on Thursday.

Chow said places of worship would continue to receive special tariff rates, which is a RM5 rebate

for bills less than RM50 and a RM10 rebate for bills above RM50.

"All these PBAPP CSR benefits will be extended throughout 2019 and the foreseeable future.

"The public should not be misled by statements claiming that the proposed water tariff review will

adversely affect or burden hardcore poor and lower-income group.

"The public should be aware that PBAPP will also continue to subsidise the first 35,000 litres of domestic water consumption in the state, even after the proposed tariff review.

"The only difference is that the amount of the subsidy will be less," he said.

PBAPP chief executive officer Datuk Jaseni Maidinsa said PBAPP profits were primarily derived from the trade consumption and domestic consumption of above 35,000 litres per month.

"In 2017, PBAPP sustained a total water subsidy amounting to RM79.6mil and for 2018, the estimated subsidy is RM83.6mil.

"PBAPP cannot continue to sustain annual subsidies considering that it needs to raise sufficient funding for water supply development projects to ensure there is no water rationing in the future.

"This is why PBAPP is applying for a water tariff review to reduce the amount of the subsidy.

"This measure will allow PBAPP to undertake important water engineering projects costing RM501mil, implemented between 2019 and 2021," he said.