

PH's New Deal not approved by then BN govt, court told

KUCHING: A witness in the defamation suit filed by entrepreneur Datuk Richard Wee against lawyer Michael Kong told the court here yesterday that Pakatan Harapan's (PH) 'New Deal Agreement' for Sarawak in 2018, which covered oil royalty and revenue for the state, was not approved by the then federal government.

Questioned by the plaintiff's lawyer Shankar Ram, Pending assemblywoman Violet Yong testified that as the general election was not held yet, the agreement was merely an offer by the opposition coalition to the Sarawak government.

Shankar: At that time in April 2018 when the New Deal was presented to the (then) Chief Minister of Sarawak, you had no authorisation or approval from the federal government or the federal Cabinet standing at that point in time?

Yong: I agree.

Shankar: The oil and gas royalty and tax matters are matters for the federal government if they agree to pass through the cabinet and for cabinet approval. Do you agree to this basic?

Yong: I disagree. The reason is that different federal governments have different approaches. The federal government that the lawyer for the plaintiff (Shankar) indicated is BN (Barisan Nasional) government then. The approach taken by the BN federal government may not be the same as PH federal government. When this New Deal Agreement was drafted and presented to the Chief Minister of Sarawak, it was with the consent or I call it agreement reached between the PH coalition party in federal and in the state.

Earlier, Yong under examination by the defendant's lawyer Chong Chieng Jen said that the agreement was handed

over to the then Chief Minister Datuk Patinggi Abang Johari Tun Openg in April 2018.

"In this New Deal Agreement, it was expressly stated that the 20 per cent oil royalty and 50 per cent tax collected in Sarawak is to be returned to Sarawak for the Sarawak government to shoulder the fiscal responsibilities of the federal government in education and health.

"Unfortunately, Abang Jo turned down the deal. He did not sign the agreement and that was why this promise of 20 per cent oil royalty and 50 per cent tax collected in Sarawak could not be executed," she said.

When asked why the agreement was not agreed to by the then state government, Yong said to the best of her knowledge, after the PH government was formed, a special cabinet committee on the Malaysia Agreement 1963 was formed whereby the Chief Minister of Sarawak and Chief Minister of Sabah were in direct negotiation with the then Prime Minister.

"Among the issues discussed included this oil and gas revenue in Sabah and Sarawak. As far as I can recall, the Sarawak Chief Minister Abang Jo was happy about the discussion or negotiation carried out in this special cabinet committee.

"When the New Deal Agreement was handed over to the Chief Minister by the leader of PH Sarawak, I was present too during that handing over," she said.

Wee is suing Kong over a statement posted by the latter on his Facebook page on July 21, 2020 which contained an alleged defamatory element against Wee.

Wee is seeking general damages, exemplary damages for libel and malicious falsehood, and an injunction to restrain the defendant from publishing, causing to be published,



Chong (right) and Sim (centre) pose outside the courtroom.



Shankar (second left) in conversation with Wee. At right is Wee's wife Datin Donna Drury Wee.

circulating, and distributing the said post.

Assisting Shankar are lawyers, Yu Ying Ying and Russell Lim, while Chong is assisted by

lawyers Sim Kiat Leng and Brenda Chong.

The case is being heard before Judge Dr Alwi Abdul Wahab. The hearing continues today.