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GREATER AUTONOMY shapes next chapter



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BY RINTOS MAIL

SARAWAK has steadily transformed its relationship with the federal government, moving from long-standing demands for constitutional recognition to tangible gains in governance, fiscal autonomy and resource management.

While many issues under the Malaysia Agreement 1963 (MA63) remain unresolved, the state has undeniably entered a new era in which it enjoys greater authority over its own affairs.

According to Universiti Malaysia Sabah (UMS) associate professor Datuk Dr Lee Kuok Tiung, the restoration of Sarawak's rights has gathered unprecedented momentum through a series of constitutional, administrative and economic milestones that have reshaped the state's position within the Federation.

Among the most significant achievements, Lee points to the amendment of Article 1(2) of the Federal Constitution, which came into force on Feb 11, 2022.

The amendment restored the constitutional recognition of Sabah and Sarawak as equal partners alongside Peninsular Malaysia in the Federation, rather than merely as two of the country's 13 states.

Equally important was the

amendment to Article 160(2), which now defines "the Federation" by referring directly to the Malaysia Agreement 1963 instead of the 1957 Federation of Malaya Agreement.

Lee describes this as a symbolic and constitutional correction that reinforces the original spirit of Malaysia's formation.

Another milestone came in 2022 when Sarawak officially adopted the title Premier for its head of government, replacing the designation of Chief Minister.

While largely symbolic, Lee said the change reflects Sarawak's distinct constitutional status within Malaysia.

Economic autonomy has also expanded considerably.

Lee highlights Sarawak's decision to invoke the Oil Mining Ordinance 1958 (OMO 1958) and impose a five per cent State Sales Tax on petroleum products. The move has generated billions of ringgit in additional annual revenue, strengthening the state's fiscal position and reducing dependence on federal allocations.

Complementing this is the establishment of Petroleum Sarawak Berhad (PETROS), which has been designated as the state's sole gas aggregator.

This gives Sarawak greater control over the distribution and commercial management of its natural gas resources, representing one of the state's most significant assertions of resource ownership in recent decades.

However, Lee notes that disputes surrounding the Petroleum Development Act 1974 (PDA74) remain unresolved. The legislation centralised Malaysia's petroleum resources under PETRONAS, and negotiations over the balance of powers between the federal government and Sarawak continue.

Another landmark achievement is the sharp increase in the special grant under Article 112D of the Federal Constitution. After remaining at only RM16 million annually for decades, the interim payment has risen to RM600 million a year.

Lee regards this as a historic breakthrough made possible by Sarawak's persistent and consistent efforts in asserting its constitutional rights under MA63.

Taken together, these developments suggest that Sarawak is moving beyond traditional decentralisation.

Lee believes the state is now entering an era of asymmetrical

federalism, where it exercises substantially greater powers than other states while remaining within the Malaysian Federation.

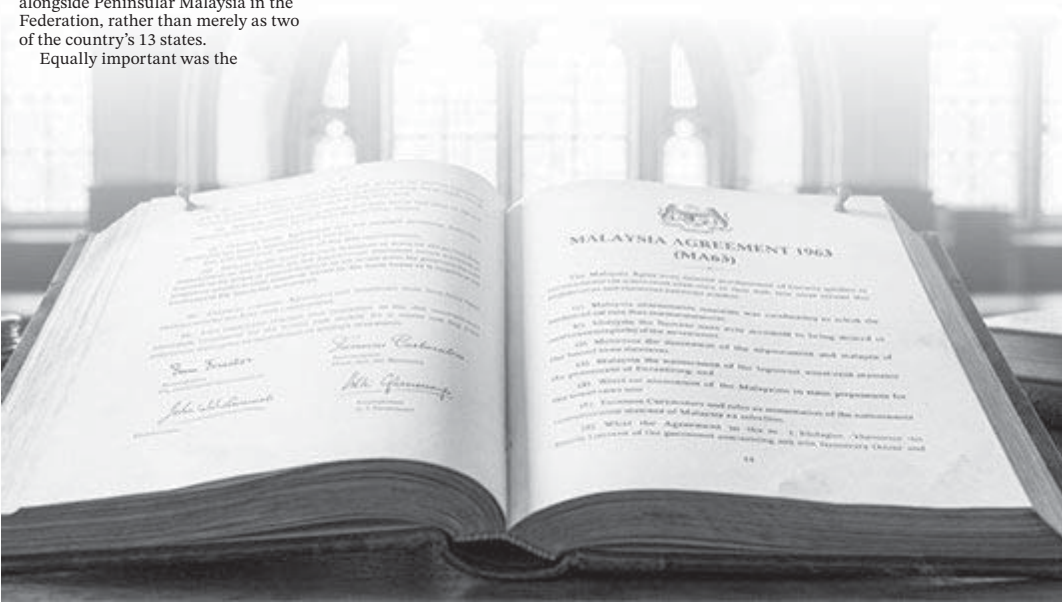
He points to Sarawak's growing influence in strategic sectors such as banking, education, the petroleum industry, its own airline, green hydrogen development and carbon trading as evidence that the state increasingly operates with the capacity of "a nation within a nation".

Nevertheless, Lee cautions that Sarawak's autonomy journey is far from complete.

One major unresolved issue is the bipartisan effort to restore 35 per cent of parliamentary seats to Sabah and Sarawak, reflecting the original safeguards envisioned under MA63.

Such representation, he argues, would effectively restore East Malaysia's veto power against unilateral constitutional amendments by Peninsular Malaysia.

For Lee, the evolution of Sarawak's autonomy is therefore not an endpoint but an ongoing constitutional journey — one that continues to redefine the state's place within the Federation while laying the foundation for greater self-governance in the years ahead.



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