

Federal funds may cease

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MUAR, Thurs. — Prime Minister Datuk Seri Dr Mahathir Mohamed said today the Federal Government may not be able to allocate funds to the Kelantan Government if it fails to abide by administrative rules.

He said this to reporters when asked to comment on the situation in Kelantan where 21 State Government officials were transferred or demoted without the knowledge of the Menteri Besar.

He believed the exercise was against Government regulations and normal administrative practices.

Initiatives

"If we find that the State had not followed Federal Government regulations, then it may not be able to get allocations.

"This is because allocations can only be given through proper channels. If officers had been changed and those currently holding the posts were appointed without proper approval, it is difficult for the Federal Government to allow them to administer our allocations."

Dr Mahathir said he would refer the matter to the Attorney-General after getting a full re-

port from the Kelantan Government.

He said it was difficult for him to state what action would be taken because he had yet to receive a report from the State Government.

According to a Malay daily today, 21 State administrative officers were transferred or demoted, with the effective transfer dates ranging from Dec 1 to 16, without the knowledge of the Menteri Besar.

Earlier, Dr Mahathir had a two-hour meeting with 2,000 Umno members from nine divisions — Pagoh, Ledang, Muar, Bakri, Batu Pahat, Sri Gading, Segamat, Labis and Kluang.

He said he fully supported Johore Umno initiatives to unite the Malays, including peace talks with Datuk Musa Hitam.

Menteri Besar Tan Sri Haji Muhyiddin Yassin, speaking at the meeting, reiterated his support for the leadership of the Prime Minister.

Meanwhile in Kota Baru, Menteri Besar Tan Sri Mohamed Yaacob said today he was not happy with the recent transfer of the 21 officers, adding that he was not consulted.

Tan Sri Mohamed said he will call an urgent meeting of the State Executive Council to discuss the matter.

Own list

He pointed out that State Secretary Datuk Haji Wan Mohamed Yusoff would normally consult him before finalising the transfer list. However, this was not done, he added.

"I am unhappy over the whole thing," he said.

Tan Sri Mohamed said he had no knowledge of the transfer list until Dec 4. Prior to this he was attending functions outside the State.

"The transfer list was already on my table when I returned to my office on Dec 4."

Asked if the list was personally sent by the State Secretary, he replied: "No".

Tan Sri Mohamed said the list was different from his own list.

It is understood that the Menteri Besar had earlier submitted a transfer list to the State Secretary.

Meanwhile, State Secretary Datuk Haji Wan Mohamed could not be reached for comment. Reporters waiting for three hours outside his office were told that he was "busy".

He was also not present at a luncheon to honour retiring officers.