

Dr M: Identify new sources of funds

By AHIRUDIN ATTAN

MINISTRIES, government agencies and departments have been directed to identify new sources of funds to finance their operations and boost government revenues.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the Cabinet agreed on the directive at its meeting last week. He announced the decision after attending a briefing on Malacca's development and plans in Malacca yesterday. The hour-long briefing was also attended by the various ministers attending today's Cabinet meeting in Malacca.

Datuk Seri Dr Mahathir said the various ministries, agencies and departments will be asked to carry out studies on how they can tap additional funds to boost revenue.

"Forms issued by the various departments, for example, are being issued free of charge to the public, but these forms involve costs to print. The public may not be too happy with charges, but the Government cannot afford to continue providing them free of charge. Thus, we

need this new source of funds," he said.

The Prime Minister also said the relevant ministries, agencies and departments need to explain to investors that the cost of land is not the only charges they must bear. The investors must also make contributions to infrastructural facilities, even if these facilities are not located at their plants.

Datuk Seri Dr Mahathir said the Federal Government does not have "unlimited funds". Over the last few years, the increase in Federal Government revenue has lagged behind the rate of economic growth.

"Government revenue has not been growing as fast as economic growth. While the economy grew by 9-10 per cent annually, revenue from taxes grew by only 1-2 per cent a year," he added.

He said the Government has to fork out the equivalent of 10 per cent of the value of investments received to provide for adequate infrastructure to meet the needs of industries.