

# Find own sources of funds, government bodies told

By K.P. Waran and Syed Nazri

MALACCA, Tues. — The Cabinet has directed government ministries, agencies and departments to think of ways to obtain funds by charging for services which they now provide free, the Prime Minister said today.

Datuk Seri Dr Mahathir Mohamad said government agencies should identify services for which they could charge payment. This revenue could be pooled back to fund and improve the services.

"For instance, if they have been giving out forms to the public free, it may be time to charge a small fee for them as after all these forms are not printed free," he said when addressing civil servants at the Chief Minister's office.

The Prime Minister said the Cabinet decision was aimed at reducing the Federal Government's increasing financial expenditure.

"They should find the

funds themselves by selling whatever it is that can be sold as long as they do not sell the building," quipped Dr Mahathir who arrived this morning for a two-day official visit to Malacca.

Fees may also be imposed on other services which are now free but which incur costs for the Government, he added.

"I know many people may not like this, but this is necessary because we do not have money to continue to supply free things. Therefore, we must find a source of funds," said Dr Mahathir after a briefing by State Secretary Datuk Mohamed Zam Abdul Wahab on the development plans for Malacca.

Also present were Malacca Chief Minister Tan Sri Rahim Thamby Chik and Cabinet Ministers who are in the State to attend the Cabinet meeting scheduled at the Ramada Renaissance Hotel tomorrow.

Dr Mahathir said the Federal Government did not have unlimited resources to keep fulfilling the request for funds from State Gov-

ernments and other bodies.

He said the robust economic growth, currently being experienced, had benefited the country in general but the coffers of the Treasury had seen only marginal increases.

For example, he said, Malaysia last year attracted investments totalling \$40 billion, for which the Government spent \$4 billion (10 per cent of the investment figure) on infrastructural facilities from Treasury funds.

"Without the infrastructural facilities such as buildings, roads and water and electricity supply, the projects cannot be implemented. Furthermore, the Government is also obligated to provide airports, ports and other facilities.

"Where are we going to get the money for these projects?" he asked.

He said land designated for industrial programmes was sold to investors without considering the cost of infrastructural facilities that needed to be provided.

State Governments and

other agencies, he said, should consider including these costs into the price of land that they sell to investors.

Dr Mahathir urged State Governments which were capable of funding their own projects not to be overly dependent on the Federal Government.

The Federal Government, he said, had the task of distributing the wealth fairly among all the States and in this context the wealth of States with more revenue needed to be distributed to the poorer States.

"This will ensure balanced development of the country and there will be no jealousy among the States within the Federation. Furthermore, development of the States means progress for the country as a whole," he said.

The Prime Minister said the Government did not plan to take heavy loans from foreign sources which

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might be difficult to service. He cited several countries in Latin America which had borrowed large amounts of money which they could not repay.

He said the Government's privatisation programmes and introduction of tolled highways were to ensure that it would not be burdened with a huge foreign debt.

He urged the people not to sit and wait for progress but instead work hard towards achieving the Government's "Vision 2020 target of making Malaysia a developed country.

Earlier on arrival, Dr Mahathir proceeded to the Durian Tunggal dam to have a first hand look at the water situation.

He was accompanied by Tan Sri Abdul Rahim Thamby Chik and Executive Councillors including Haji Yasin bin Haji Mohamed Sharif who heads the Works and Utilities subcommittee. State Public Works Department director Rashid Omar was also present.

The dam ran dry in January causing severe water shortage in the State forcing the State Government to take steps to obtain water from Johor.

The State Government recently procured the services of an American firm to create rainfall over the area to fill the dam.

In his speech Dr Mahathir said although the Government had decided to build an airport in Sepang, Selangor, at a cost of about \$20 billion, the airport was not just meant for those in the State.

"Those in Malacca and other States will be using the airport for the import and export of their goods," he said.