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# No State 25 AUG 1992 it's accorded 'step-child' treatment, says Dr M

PENANG, Fri. — Prime Minister Datuk Seri Dr Mahathir Mohamad said today that no State is treated like a "step-child" by the Federal Government.

On the contrary, allocations are given out fairly based on the needs and priorities of the States.

He was commenting on accusations by the DAP that Penang was always given the step-child treatment by the Federal Government.

He said: "We are fair to everyone. The federal system is such that we distribute revenue to all the States with the poorer States getting more. Those States which can carry on projects on their own get less."

Dr Mahathir was speaking to newsmen at the end of his two-day official visit to Penang at the old airport terminal in Bayan Lepas.

On his impressions about Penang after the visit, the Prime Minister said he was generally satisfied with development in all fields in the State.

He was pleased that the State Government had accepted his criticism that Penang had become the "dustbin of the Orient" as a challenge and had made efforts to rectify the situation.

Penang is certainly cleaner now, he said in congratulating Chief Minister Di Koh Tsu Koon and his deputy Dr Ibrahim Saad.

Dr Mahathir said industrial development was taking place at a fast pace while the State's enjoyed a good economic growth rate of 11 per cent.

Rural areas too were being given attention, especially by the Penang Regional Development Authority (Perda) which was building low-cost houses and setting up small industries, among other things, for them.

Dr Mahathir said the \$500 million allocation under the Sixth Malaysia Plan for sewerage projects in various States had been frozen.

This was because the Federal Government was now carrying out a study on the entire sewerage system in the country and was evaluating the feasibility of privatising the sewerage projects, he added.

Dr Mahathir and Datin Seri Dr Siti Hasmah Mohamed AU were sent off by Koh, Ibrahim, Finance Minister Datuk Seri Anwar Ibrahim, State Executive Councilors, State Secretary Datuk Abdul Halim Abdullah and other dignitaries.