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Cut spending, MB tells State agencies

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SHAH ALAM, Wed. - All government departments, agencies and corporations in Selangor have been directed to be more prudent in their expenditure including cutting down on international telephone calls and fax exchanges.

The respective heads who include those of State Government companies have also been asked to cancel their overseas trips unless they were absolutely necessary in an effort to cut cost.

Menteri Besar Datuk Abu Hassan Omar said the move was part of the State Government's campaign to promote frugal spending as directed by Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said in his meeting with all Menteris Besar and Chief Ministers recently, Dr Mahathir directed State Governments to co-operate with the Federal Government in reducing spending.

"The State Government will also stop buying imported cars, put on hold or cancel all ambitious projects which are not relevant to the needs of the people and the State and will defer filling up additional posts, including those on contract basis.

"We will restrict the practice of offering gifts to visiting officials and dignitaries to that of local produce or local handicraft," he told reporters after chairing the weekly Exco meeting.

He said State Secretary Datuk Hashim Meon would issue a circular to that effect to all heads of department, agencies and corporations before the end of the week.

"A monitoring system will also be set to ensure the directive is adhered to by all those involved." The State Government hoped to reduce its current expenditure by at least two per cent, he added.

He urged the private sector to complement the Government's efforts in reducing the flow of foreign exchange by reducing imports while raising exports.

He announced the setting up the State Research and Development Council to further boost research and development programmes, especially in critical technological areas.

The function of the council, to be chaired by the State Research and Development, Agriculture and Fishery chairman Datuk Abdul Fatah Iskandar, is to monitor and liaise in the development of such projects involving the State Government.

The State Government has allocated RM2 million for R&D in various areas with the co-operation of several R&D institutes and local institutions of higher learning.

In an unrelated development, Abu Hassan denied the involvement of the State Government's companies in land clearing for plantation purposes in Sumatra.

"Many memorandums of understanding between the State Government companies and their Indonesian partners have been signed to open up oil palm estates in several parts of the country, especially Sumatra, but to date, none of the projects has really started."

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