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Kit Siang welcomes proposed cutbacks

reports on "Dewan Rakyat" by Jeffrey Ramayah; Alex Choong; Aionn Mohd
OPPOSITION leader Lim Kit Siang welcomed the cutbacks in expenditure as announced by Deputy Prime Minister Datuk Seri Anwar Ibrahim yesterday but stressed that such cutbacks should not hurt the poor, especially in areas such as health, social welfare and education.

He said the cutbacks reflected the Government's seriousness in recognising the magnitude of the current financial problems which had seriously affected the country and the people.

"The Government however must ensure that the 18 per cent across the board cut in Federal operating and development expenditure does not hurt the poor," he said.

Speaking during the debate on the Finance (No.2) Bill 1997, Lim said it was also important that the packages and austerity measures announced by Anwar are properly enacted so as not to raise questions as to their propriety, legality or even constitutionality.

He said Parliament should not be bypassed and MPs should jealously guard the Parliamentary prerogative to be the final authority to decide on annual Federal Government spending.

The Bill seeks to amend the Income Tax Act 1967, the Petroleum (Income Tax) Act 1967, the Real Property Gains Tax Act 1976, the Stamp Act 1949, the Sales Tax Act 1972, the Customs Act 1967 and the Free Zones Act 1990.

Lim said during a meeting with the Prime Minister in Langkawi, Datuk Seri Dr Mahathir Mohamad had discussed the current economic situation and the measures to be adopted to overcome problems faced by the country.

He said Dr Mahathir told him and Dr Tan Seng Giaw (DAP-Kepong) that the Government had no intention of having opposition parties represented in the National Economic Action Council.

"As I understand it, the NEAC would be a hybrid council having the executive powers of the Cabinet, though it would have to report periodically to the Cabinet on measures to address the national economic situation.

"Cabinet Ministers have clearly failed in their responsibility as national stewards to the extent that another body has to be appointed to share and even supersede Cabinet responsibilities.

"The time has come for a major Cabinet reshuffle for the infusion of new blood into the Cabinet and the replacement of several Ministers who seem to be quite lost in a fast changing world brought about by information technology and globalisation," he said.

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