

25 OCT 1998

GOVERNMENT DEPARTMENTS TOLD TO USE FULLY THEIR DEVELOPMENT ALLOCATIONS

KOTA BAHARU, Oct 25 (Bernama) -- Government departments have been directed to use fully their respective allocations for development to ensure that the government's efforts to promote economic growth will be effective, Second Finance Minister Datuk Mustapa Mohamed said today.

"This is vital because we wish to encourage economic growth...and to prevent delays of development projects," he told reporters after briefing head of government departments in the state on the current economic and political situation in the country, here.

He said head of departments had also been directed to ensure that problems faced in the implementation of development projects like those involving land acquisition and contractors should be dealt with immediately to prevent delays.

Mustapa also said that although there were signs of economic recovery, the head of departments had been told to cut down their operational expenditure.

Commenting on the 1999 Budget tabled by Prime Minister Datuk Seri Dr Mahathir Mohamad who is First Finance Minister last Friday, Mustapa said that eventhough it was a deficit budget, the government was still committed to ensure the well-being of the people by increasing the allocations for the educational and health sectors and for rural infrastructural development.

-- BERNAMA

RAR RM