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Funds

LACK OF SURPLUS FUND DELAYS STATE PROJECTS, SAYS OSU

KOTA KINABALU, May 11 (Bernama) -- States like Sabah cannot avoid delays in implementing development projects because it does not have surplus funds and is totally dependent on the state revenue, Chief Minister Datuk Osu Sukam said today.

This prevented projects from being carried out right away at the beginning of the year, unlike the case at the federal level where surplus funds were available, he said.

" In Sabah, we don't have substantial reserves. As such we've to eke out allocations from the state revenue for each year," Osu said.

This also explained the usually slow-paced implementation of projects in the first quarter of the year, just upon approval of allocations, said Osu who is also state Finance Minister.

He was approached by reporters here for comments on Prime Minister Datuk Seri Dr Mahathir Mohamad's directive that ministries use this year's surplus fund to get their projects started on schedule.

Earlier, Osu, who is Sabah Umno liaison chief, officiated at a flag-raising ceremony to mark Umno's 53rd anniversary today.

" As such projects get delayed more because of the state government's inability to settle payments to contractors than the fault of district officers," he said.

Osu said next month's special meeting of the Implementation and Coordination Unit (ICU) which Sabah is hosting, would discuss ways to accelerate rural development projects.

District and other state government officers are expected to attend the meeting.

Being catalysts for district-level development, district officers could not ignore projects already identified and as well grass-root problems, he said.

Osu also said he would leave it to the people of Sabah to decide whether they want to retain or abolish the current system of a two-year rotation of the chief ministership among leaders of the state Barisan Nasional.

" As for me and Umno, my main task is to make sure that in these two years, we do our utmost to develop the state and improve the lot of the people," he added.

-- BERNAMA

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