

08/05/1999

PM: Use bulk of budget by end of June

KUALA LUMPUR, Fri. - To ensure all projects are implemented on time and money allocated spent efficiently, Prime Minister Datuk Seri Dr Mahathir Mohamad today directed all Ministries to utilise the bulk of this year's budget by the end of next month.

He said this was important as past experiences had shown that only between seven and eight per cent of allocations approved would have been spent in the first quarter of the year.

First Finance Minister Tun Daim Zainuddin had said on Monday that only 5.3 per cent of allocations for development had been spent compared with 11.1 per cent for the same period last year.

"The best way to spend the money is if we all worry about the work that is being done," Dr Mahathir said at a meeting with secretaries-general and financial officers of Ministries.

"The NEAC (National Economic Action Council) meets daily to discuss the work that needs to be done and this way, things are continuously improving.

"The way the NEAC works is the way all other Ministries should be working," he said, adding that the civil service should not be satisfied with its achievements but should continue to work harder.

Also present at the meeting held at the Prime Minister's Department were Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi, Daim and Chief Secretary to the Government Tan Sri Abdul Halim Ali.

He said although the Government had allocated RM17.3 billion for development purposes this year, based on past experiences, only between seven and eight per cent would have been spent in the first quarter of the year.

Dr Mahathir said all Ministries should also ensure that contractors hired to carry out projects were paid promptly.

This was to allow the contractors to expedite payment to their sub-contractors, suppliers and workers.

"Sometimes after a project is completed, the money is not paid out to the contractors for months. This will result in an increase in costs and in the end, it is the Government which has to pay the price," he said.

Although the Government is keen to see the implementation of projects expedited, it is equally important that proper procedures are followed.

All developments should be monitored closely to ensure accountability.

Dr Mahathir said plenty of work needed to be done to ensure the remaining 90-odd per cent allocated was spent accordingly in the next eight months.

The aim of the meeting is not to find fault with the various ministries but to identify problems faced in implementing projects and ways to overcome them.

Expressing concern over the delay in the implementation of projects and the spending of allocations, Dr Mahathir said although the civil service was more efficient compared with those in other developing countries, there was still much room for improvement.

In a report presented at today's meeting, the Treasury outlined several weaknesses which had contributed to delays in budget spending.

The Treasury also admitted that the clearing and approval on its side was "too time consuming" and there was a need to review certain procedures and regulations.

Dr Mahathir said the delays could be a result of slow implementation of procedures and not the procedures proper.

"Procedures are not there to be followed at one's pace and leisure. We have people who are not paying attention to the problem at hand. If procedures are wrong, let us look at them," he said.

He also reminded civil servants not to be clock watchers. They should take the initiative to work extra to finish their work.

During the meeting, Dr Mahathir also directed the secretaries-general and financial officers to ensure all procedures were carried out promptly and that allocations given to the respective ministries were spent within the time frame.

"The incentive to achieve this target should not be in how much you are getting paid but in the results you achieve in the end.

"I assure you that with the necessary results, the monetary rewards will be forthcoming," he said.

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