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Samsudin: Reason for underuse of budget to be identified

THE reasons behind the under-utilisation of the Government's development budget will be identified and rectified, Chief Secretary to the Government Tan Sri Samsudin Osman said yesterday.

He said he needed to check the figures and also the Ministries and Government departments that were involved. He said this after attending Majlis Tinta Kencana 2001 organised by the Dewan Bahasa dan Pustaka in Kuala Lumpur yesterday.

"We will have to improve ourselves year by year. There are so many projects involved. I will have to check," he added.

On Monday, Prime Minister Datuk Seri Dr Mahathir Mohamad said only 87 per cent of the Government's development budget of RM28.84 billion for last year was utilised due to complications in the identification of projects and red tape.

Dr Mahathir said too much time was spent in appointing contractors and in other negotiations.

He also revealed that the two special packages valued at RM7.3 billion to stimulate the country's economy, were also under-utilised with only 50 per cent used up.

Meanwhile, the Human Resources Minister Datuk Dr Fong Chan Onn said that his Ministry did not spend 28 per cent of its allocation last year due to problems with the tendering process, appointing contractors and getting projects off the ground.

Fong, expressing his dissatisfaction, said he had directed his officers to look at ways to reduce the red tape and spend the whole allocation.

Speaking to reporters after his Ministry's Hari Raya gathering with orphans and senior citizens, Fong said towards the end of 2001, the number of retrenched workers had decreased and job vacancies had increased. Economic conditions had worsened last year, with 37,000 workers being retrenched compared to 25,000 the year before, he said.

However, the unemployment rate was below four per cent, as job vacancies had increased from 8,000 mid-2001 to 15,000 by the last two months of the year.

Some 40 per cent of job openings were in plantation sectors, 35 to 40 per cent in manufacturing sectors and the remaining job vacancies in services and other sectors.

Fong said representatives from these sectors had approached him asking that the policy on foreign labour be relaxed, adding that he would be discussing the matter with relevant agencies.

On training schemes by the Ministry, Fong said only 500 to 700 retrenched workers had applied to be retrained while some 2,000 to 3,000 unemployed graduates sent in their applications.

This could be because the retrenched workers, having work experience, had found employment again, he said. The schemes, to be fully implemented this year, aims to retrain some 20,000 workers, providing them a foundation in information technology and improving their language.

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