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Mahathir-States

STATE GOVTS' REQUEST FOR ALLOCATIONS MUST BE REASONABLE, SAYS PM

PUTRAJAYA, June 10 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today reminded state governments to refrain from applying for extremely large allocations from the 2004 Budget as the federal government may not be able to meet their request.

Dr Mahathir, who is also Finance Minister, said he found that the allocations applied by the state governments totalled RM1 billion to RM2 billion.

He said that the state governments should not be disappointed if their request could not be met because it was beyond the federal government's capacity and such reasons must be explained to the people.

"I hope that the people will understand why the request cannot be met. I also hope that the state governments and MPs will not tell the people that 'we've requested but it was turned down by the federal government'," he said at the outset of the fourth and final session of the 2004 Budget dialogue here.

The dialogue involved discussions with menteriis besar and chief ministers.

Dr Mahathir said that elected representatives should also give attention not only to physical needs as well as poverty and welfare issues because more essential was to deal with public grouses over the delivery and implementing mechanism both in terms of the public and private sectors.

He said that the government spends billions of ringgit including for pre-emptive programmes to boost the well-being of the people but if there were disruptions in their implementation, then the public would surely continue to have grouses against the government.

"And the government will face various accusations like being corrupt, resorting to malpractices and things like that," he said.

According to him, under the New Strategy Package announced on May 21, the Micro Credit Programme specifically for small and medium industries, rural housing and infrastructure programme, programmes under the agricultural and fisheries sectors, and facilities for fishermen would be implemented with a new approach.

"It is aimed at ensuring that obstacles under the existing system will be overcome and the objective of the package (to stimulate economic activities) will be achieved," he said.

Dr Mahathir also touched on the role which should be played by the state governments and the local authorities in terms of new technology for the disposal of waste and water treatment system as well as the supply of treated water.

"I hope that this matter will be given emphasis especially to convince the public that the efforts of the government are for long-term benefit, to improve the quality of life of all Malaysians," he said.

He also said that in earlier sessions, among the issues raised were globalisation, the country's competitiveness, cost of business transactions, the delivery system and bureaucracy.

He said that issues related to land and licensing were still being raised like in previous years.

Dr Mahathir said that there had been many requests for government expenditure to be increased but at the same time, they wanted taxes to be reduced.

He said that this would be difficult to accommodate.

Asked on the tendency of state governments to request for extremely large allocations, Dr Mahathir said: "The feeling is that the federal government has lots of money, so all they need to do is ask."

He said that the federal government, like other governments, had limited funds.

"We are also like the others, our funds are not unlimited. Its limited and we should be wise in our spending," he said.

The prime minister said that spending without prudence would cause the government to be in debt which would eventually cause problems for the country.

-- BERNAMA

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