

Economic stimulus funds used to buy luxury items
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The economic stimulus package announced in November 2008 was also misused, the National Audit Department says.

The 2009 Auditor-General's Report says the RM250 million allocated under the stimulus package was meant to restore or carry out maintenance work on military camps and quarters.

However money from this allocation was also spent on luxury items.

Some examples given were the purchase of luxury items worth RM301,900 for the Labuan air base, Wilayah Laut camp (Mawilla 3) in Langkawi and the Lumut naval base.

In the case of Mawilla 3, the contentious items included:

- Washable solid vinyl wallpaper with PVC (RM95,880)
- Two sofa sets (RM26,000)
- Carpets (RM13,320)
- Home theatre set (RM12,000)
- Chandelier (RM10,000)

The audit team found that RM144,118 had been spent on the Mawilla 3 dining room alone. The contentious items included:

- Replacement tiles (RM72,960)
- Nine air-conditioners (RM32,200)
- Plaster ceilings (RM31,008)
- Cornice (RM5,950)

"The audit found that these works were not supposed to be performed as no serious damage to the dining room had been reported," the report said.

It added that the upgrades to Mawilla 3 under the stimulus package were made despite the facility already being maintained by the Public Works Department at a budget of RM2 million.

In the case of the Lumut naval base, the audit team found that RM459,460 was spent on 836 decorative lights for the road leading to Wisma Samudera.

However, only 236 units were installed, while 600 units were kept in the storeroom as spares.

"The audit finds that the Defence Ministry had made several procurements and upgrading works that did not adhere to (the fund's) purpose without justification and elements of imprudence," the report says.

Upgraded hall brought down in months

On the Education Ministry, the audit team cited an instance where RM63,575 from the stimulus package was allocated for upgrading works on a school hall, which was then demolished months later.

The funds were spent on upgrading works for the SJK (C) Sri Lalang, Kluang hall, which were completed on Aug 13 last year.

However, the ministry then secured another RM200,000 for the construction of a brand new hall.

"When the audit team visited the site on Dec 15 last year, it was found that the upgraded hall had been destroyed and construction of the new hall was ongoing.

"Thus, the allocation of RM63,575 under the stimulus package was a waste of government funds," the report adds.

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