

CM: Penang state's finances 'uncertain'
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Lim Guan Eng looked smart and befitting of his post as Penang chief minister in his newly-tailored dark grey suit. Before he became the most powerful man in the island state two months ago, he had an old off-the-rack suit with a few missing buttons.
MCPX

"Once journalists complained that the colour of my suit was not matching - blue pants and black jacket," he lamented.

lim guan eng interview 290408 02He told Malaysiakini when met at the Parliament lobby that he had just got a medical check-up. He had lost 10kg since the DAP-led coalition swept into government on March 8.

"The doctor thinks I should lose weight more often," quipped Lim.

But Lim said Penang will have to go on a belt-tightening exercise too. Despite being the second richest state after Selangor, Lim described the financial of the state government he inherited as "uncertain".

"That's why informally we are going on the cost-cutting exercise."

And Lim is leading by example. He flies in economy class despite being eligible for business class. When going overseas, he prefers to use budget airlines such as the no-frills AirAsia whenever he can.

He refused to move into the chief minister's official residence and opted instead to stay at his mother's house.

While he said the state government is not bankrupt, Lim, who is a trained accountant, was worried about "contingent liability."

"We are seeking an audit, trying to get all the key departments, local authorities, to be audited so we know what's the state of our finances. We don't know how much we have and we don't know what are the losses that will incur because of the shenanigans that has happened beforehand.

"For instance, I have mentioned earlier that a land scam has resulted the state government facing potential losses in court of RM40 million and you don't know what other land scams there are which have not been unearthed."

State government finances 'uncertain'

He said the cost-cutting measure was to "let the people know that our finances are uncertain."

"The other question is federal funding. If they pull out or cut out certain projects, then federal funding will be affected, we are talking about tens of millions of ringgit."

Lim ticked off the federal government for delaying and threatening to cancel a number of key infrastructure projects it had promised before the change in the state government. Among them are the island's second bridge, monorail and Penang Outer Ring Road.

lim guan eng interview 290408 07"They adopted a vindictive approach, wreak vengeance on the voters for daring to throw them out. If that is their attitude, they have underestimated the people of Penang."

But is Penang being punished for voting against the ruling Barisan Nasional coalition?

"It is natural for people to draw that type of conclusion," he said.

Lim argued it was in the federal government's interest as much as Penang's for the mega-projects to proceed.

"Any action that is detrimental to Penang will also be detrimental to Malaysia. We are one and the same. We hope cooler heads will prevail and the leaders are not influenced by the rather emotional and extremist thinking."

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