

Guan Eng Concealed Full Truth
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When Penang Chief Minister Lim Guan Eng claimed that the Penang state government had sliced RM600 million or 95% off the state's debt since taking over in 2008, he was craftily deceiving voters into thinking that the Pakatan Rakyat-run government had reduced the state's debts.

But the truth which Guan Eng conveniently forgets to reveal is that, on 2 June 2011, the Perbadanan Bekalan Air Pulau Pinang (PBAPP), a state-owned company had entered into a water restructuring agreement with the federal government via Pengurusan Aset Air Bhd (PAAB), a company under the Ministry of Finance. The water deal saw Penang's outstanding loan of RM655.24mil owing to the federal government to be converted into a grant.

In short, the federal government has shouldered the debt of Penang State government. Thus, the real scenario is that the Pakatan Penang state government has thrown the debt to the federal government. When Pakatan Rakyat blamed the federal government for the federal RM 20.5 billion debt, they opted not to inform that actually RM 600 million of the debt hailed from the Penang state government.

Perak, not Penang with the highest volume of debt reduction

The Penang state government claimed that it is the state which has highest reduction in debt but that is a misinformation.

In reality, it is Perak under the Barisan Nasional administration which has the highest reduction in debt. Penang reduced its debt by transferring this burden from RM600mil to RM29mil with huge publicity! But Perak reduced its debt from RM970mil to RM78mil with no self praise nor fanfare.

Pakatan's surplus a continuation of BN's surplus

The Pakatan Rakyat state government of Penang keeps saying that Penang never had surpluses before, but based on the state's financial report for the respective years, the previous Penang state government under BN before 2008 also recorded surpluses. Details are as followed:

2004 – RM28 million surplus

2005 – RM 83 million surplus

2006 – RM 10 million surplus

2007 – RM 43 million surplus

Hike in operating expenditure

The Penang state government adopts "CAT" in governance i.e. Competency, Accountability and Transparency. They should reduce the expenditure, but their operating expenditure increased from RM 252 million in 2007 to RM299 million in 2009.

Promise not inserted into Buku Jingga

Pakatan Rakyat also claims that they want to abolish prepaid mobile user service tax. But such a promise is not mentioned in the Buku Jingga or Pakatan Rakyat Alternative Budget 2012.

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