

FUNDS AVAILABLE FOR PUBLIC SCHEMES

'PEOPLE REAP SAVINGS FROM BUSTING GRAFT'

Procurement reforms and dismantling of 'cartels' have saved billions, says PM

AUDREY DERMAWAN
SEBERANG JAYA
audreymd@nst.com.my

BILLIONS of ringgit saved from dismantling entrenched corruption and reforming government procurement have been redirected to ease cost-of-living pressures and fund public programmes without imposing new taxes, Prime Minister Datuk Seri Anwar Ibrahim said.

He said decades of "cartel" dominance in defence procurement, healthcare, food supply and public works had inflated government spending.

Citing the recently launched

National Defence Industry Policy, he said procurement of defence equipment must now prioritise transparency, local capacity building and cost efficiency.

"Even when we procure defence assets in the absence of local expertise, we must train our people and give space to local companies to develop industries.

"We should not be dependent on cartels because in the end, the people are pressured by inflated prices," he said at the launch of a Seberang Jaya Hospital's new block yesterday.

Present were Chief Minister Chow Kon Yeow and Health Minister Datuk Seri Dr Dzulkefly Ahmad.

Anwar said the same principle applied to healthcare, where the government has begun prioritising quality generic medicines over expensive branded drugs.

He said reforms in medical procurement alone had saved nearly RM1 billion.

"I was not satisfied seeing medicines bought at high prices when generics were available at a fraction of the cost. Why shouldn't even the prime minister use generic medicine?" he said.

Anwar said price manipulation was also tackled in the food sector, with the dismantling of a poultry cartel saving the government RM1.2 billion annually.

"For years, we accepted this as normal, RM1.2 billion every year just to stabilise chicken prices.

"After we confronted the companies and dismantled the cartel,



A new Seberang Jaya Hospital block was opened by Prime Minister Datuk Seri Anwar Ibrahim yesterday. NSTP PIC BY AURIS FAQRURAZZI

the chicken was sold at the same price, but without the government paying RM1.2 billion," he said.

He said similar reforms in egg pricing saved RM1 billion, while targeted electricity subsidies yielded between RM4 billion and RM6 billion.

Improved fiscal discipline towards the end of last year saved a further RM800 million, he said.

On public infrastructure, Anwar said outdated "colonial-era" specifications and inefficient designs had inflated the cost of hospital construction.

"If we can build more efficiently, the savings can be used to build more hospitals, upgrade facilities and expand rural clinics," he said, adding that underper-

forming contractors must be removed through transparent processes.

Anwar credited political stability for allowing the government to take firm action against cartels, smuggling and corruption.

"These savings allow us to increase spending without imposing new taxes," he said.

He cited the RM18 billion allocated for civil service salary increases and RM15 billion for Rahmah cash assistance as examples of recovered funds being redirected to the people.

While acknowledging that cost-of-living pressures remain, Anwar said Malaysia's prices were relatively controlled compared with other countries, and vowed that reforms would continue.