

RM4 billion Sabah budget surprise

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State leadership proves it can deliver more development for the people

IT must have been music to the ears of Sabahans when Chief Minister Datuk Seri Musa Aman unveiled a whopping RM4.04 billion State Budget for next year, the largest ever in Sabah's 48-year history.

The people of Sabah have every reason to rejoice as the big budget means that more development programmes would be implemented for their benefit.

It is a holistic budget aimed at ensuring a balanced development of infrastructure and amenities between the rural and urban areas.

Themed "Accelerating the state's well-being and prosperity", the budget provides large funds to boost the state economy and improve the people's livelihood.

While the people are delighted with the huge budget, it is regrettable that the opposition has chosen to belittle it by questioning the ability of the state government to come up with the RM4.04 billion.

Having constantly labelled Sabah as one of the poorest in Malaysia, the opposition may have been taken by surprise with the huge budget.

To leaders of the Barisan Nasional, it was a perfect answer to quell the critics, especially the opposition, who have often described the state as one of the least developed.

It must be noted that despite uncertainties in the global economy and the fluctuating prices of oil, gas and commodities such as palm oil and timber, Sabah's economic fundamentals have remained strong because it is blessed with rich natural resources.

Most important is the proven capability of the state government, under the able leadership of the chief minister to efficiently and prudently manage its finances and resources.

Sabah has been among the top states that have achieved sound financial management, with giving it a clean bill by the Auditor-General for the last 11 consecutive years.

The state also received the highest rating of "AAA" by RAM Rating Services for the last three years for its strong fiscal position as a result of a series of surpluses and accumulation of strong reserves.

It has also obtained ISO certification from Moody International for efficiency and proper state budget management for three consecutive years. It must also be noted that the auditor-general's report for this year showed several actual figures that reflected the state's excellent financial achievements.

Among them was that the state reserves had exceeded RM3 billion, its revenue surpassing RM4 billion, actual surplus amounting to RM730 million, development expenditure at RM1.17 billion and it has no arrears on federal loans.

Perhaps, those who have often belittled the tireless efforts taken by the Sabah leadership to improve the state's economy and finances should compare the budget with that of Pakatan Rakyat-ruled states, like Selangor.

Despite being a more advanced and developed state, Selangor's budget for next year is only RM1.6 billion, while its reserves are about RM1 billion.

Musa, when tabling the budget at the State Assembly on Nov 18, expressed confidence in the ability of the state to deliver the RM4 billion budget, although its forecast revenue for next year is only RM3.6 billion. His optimism was based on the state's strong financial position and consistent actual surpluses, especially this year, where it recorded a surplus of RM730 million.

Musa, who is also State Finance Minister, said that Sabah's revised revenue for this year was about RM3.8 billion, an increase of more than RM1 billion or 39 per cent compared to the original estimate of RM2.4 billion.

About 80 per cent of its revenue for next year will come from crude palm oil sales tax, petroleum royalty, proceeds and interests from investments, land and forestry.

The bulk of next year's budget will be for special expenditures totalling RM2.3 billion, followed by RM1.1 billion for recurrent expenditures and RM623 million for emoluments.

A sum of RM881 million will be spent on development with focus on programmes and activities that will spur economic growth.

Emphasis is also given to the chief minister's three-prong Halatuju development strategy for agriculture, tourism and manufacturing as the state's main economic catalyst.

Special priority is also given to the eradication of poverty, creation of more jobs and providing skills training for the people.

With Sabah's economy growing rapidly and its finances in a strong footing, the state's budget for next year is a realistic one that took into account the state's development needs for the betterment of the people.

However, the huge budget would be meaningless if the targeted group did not benefit from the various development programmes that would be implemented.

As emphasised by the chief minister, elected representatives and government officers must constantly go to the ground to ensure the speedy and successful completion of projects.

The opposition may see it as an election budget, but to many in Sabah, it is a budget that would solve many of the state's development issues.

The big budget should erase the perception that Sabah is a poor and under-developed state.

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