

Penang CM: Budget 2013 'crony-friendly', not people-friendly
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KUALA LUMPUR, Oct 1 — Lim Guan Eng today slammed Prime Minister Datuk Seri Najib Razak's Budget 2013 as benefiting only a small group of government "cronies" instead of the rakyat.

The Penang chief minister told Parliament today that the federal government's 2013 Budget was "crony-friendly" and not "people-friendly", claiming that RM10.9 billion would be allocated to projects linked to "cronies" compared to the RM4.2 billion that would reach ordinary citizens.

"RM400 million has been allocated to 1MDB under the Prime Minister's Department. One can only wonder how much of this money will be used to help parties which are friendly to the BN (Barisan Nasional) to cash out of existing contracts," Lim (picture) said today.

He 1MDB's RM8.5 billion purchase of power assets from Tanjong Energy and its RM2.3 billion acquisition of Genting Sanyen had been called into questioned by analysts as the power purchasing agreements (PPAs) the two firms have with Tenaga Nasional Berhad expire in 2016.

He added RM582 million was allocated in Budget 2013 for compensation to toll operators, RM343 million of which is scheduled payment and RM239 million in one-off disbursements.

"Not only does this benefit the private companies which own these toll operations, this is also harmful to the public since a better alternative is to use this money to buy over these toll operators and to abolish toll charges, something which Pakatan Rakyat (PR) has promised to do when we come into power," he said.

Lim further said the RM272.5 million allocated under the crime reduction National Key Result Area (NKRA) to "Increase Public Satisfaction on Police Performance" would be spent on "an empty public relations exercise that will only benefit politically linked consultants and advertisers".

He then pointed the allocation of RM386 million to set up an additional 57 KR1M stores in Sabah and Sarawak, which he said "will likely benefit those who get the contract to operate these stores, namely Mydin".

"In addition, these KR1M stores will also likely drive many local retailers in Sabah and Sarawak out of business. Worst yet is the vastly inflated cost of setting up these KR1M stores."

Lim said that although the Budget has been labelled as filled with handouts meant to tempt voter support ahead of the general election, the ultimate benefactors would remain the politically-connected firms.

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