Govt improving rural infrastructure

THE government is focusing on improving infrastructure in the rural areas, with a proposed 36% increase in the rural development agenda for 2003 to RM2.56bil.

The allocation would include building and upgrading major roads, village roads, bridges, and providing basic facilities, such as electricity and water supply, health, education and housing as well as telecommunications facilities.

To encourage Bumiputera contractors to enhance their entrepreneurship and technical capacity, the government proposes to increase the contract value of each class of contractors, as the present rates have not been reviewed since the 1970s.

For Class A contractors, the contact value would be increased from RM4mil or more to a higher range of RM15mil or more; while for Class B contractors, the amount would be raised from between RM2mil and RM8mil to between RM5mil and RM15mil.

At lower end, the Class E contractors can look forward to a higher ceiling of RM200,000, compared with RM100,000 previously.

As for the property sector, although many developers and purchasers were hoping for a stamp duty waiver extension, the developers said that since there was no mention of an extension in the Budget, they would expect buyers to return.