

an environment as a priority. Hence, budget, mirroring MPSP's commitment, received the biggest allocation for business. It is no coincidence therefore the theme of the council's 2013 budget building fiscal capacity towards cleaner sustainable Seberang Perai". Among the result areas (KRAs) of the council, "improving cleanliness" received the highest allocation at 64.56% of the total budget allocated to the KRAs. However, due to reduction measures, some of which are discussed in this article, the total allocation for this KRA in 2013 is at 16.13% or an RM1.7mil reduction from the figure in 2012.



	RM
improve cleanliness	86,898,980
efficient implementation	20,068,880
improve safety and security	3,500,120
modernisation of the city	5,438,840
enforcement	7,840,400
strengthen the organisation and work process	10,847,513

In the 2013 MPSP budget is pro-jobs for people. One of the reasons for over 60% of the cleanliness work from contractors is so that the council, one of the major spenders in Penang, create more jobs for locals. A brief from Penang Institute last year showed that only about 20% of the staff hired by the cleanliness service contractors are locals. In addition, workers under private contractors are paid relatively low wages, between RM600 and RM750. With this budget, MPSP will create about 1,000 jobs in Seberang Perai which pay about RM1,200 per month. As of August this year, 400 new workers have already been hired, while another 600 will be hired in stages from January 2013. Locals who had previously worked with the contractors are given priority in the hiring process.

I wrote that one of the weaknesses in the 2012 budget was that there was little communication with taxpayers and residents. As mentioned earlier, on May 12, MPSP hosted

a budget dialogue with representatives of the community across Seberang Perai, including representatives from the rukun tetangga, residents' associations, village development and welfare committees (JKKKs), Seberang Perai-based NGOs as well as state and federal agencies. During the dialogue, 12 issues under four broad themes were identified as key priorities to be considered when planning the 2013 budget. Next year, the MPSP is increasing its budget for community engagement to RM1.7mil, an increase of 35.4%.

Conclusion

The MPSP is relatively small fiscally, but it can be a model for fiscal management. The council's strength lies in its clear policy framework: by positioning itself to focus on good governance and its core service, cleanliness, the council was able to streamline its operations to maximise the utilisation of its resources.

Nonetheless, the MPSP should also begin enhancing its other roles and services, such as a better system to plan, review, approve and monitor physical development, and the provision of recreational amenities such as parks, cycling and running lanes, and other sporting facilities. Finally, along with MPPP, MPSP has pioneered the implementation of gender responsive budgeting (GRB) since early this year. The two councils are the first local governments in Malaysia to embark on GRB.

However, the MPSP now has to expand its GRB project. GRB will eventually benefit the council and the municipality in two ways: by promoting greater equity in resource distribution and encouraging a more efficient, scientific and democratic budgeting process.

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Steven Sim is the senior executive officer of the Penang Institute and a councillor of the MPSP.