

Tuesday September 5, 2006

ACA urged to use audit report for probe

THE Anti-Corruption Agency has been urged to use the Auditor-General's annual reports as the basis for its investigations. Public Accounts Committee chairman Datuk Shahrir Abdul Samad said the reports contained many issues the ACA could follow up on. "We hope the ACA will make use of the Auditor-General's findings. The Audit Department can only make observations and comments, but the ACA conducts investigations," he said. "I would highly recommend that the ACA look into matters raised by the Audit Department."

Anti-Corruption Agency director-general Datuk Seri Zulkipli Mat Noor could not be reached for comment. The Auditor-General's Report 2005 was tabled in Parliament last Friday. The New Straits Times highlighted several issues in the report, including the Auditor-General's review of the management of the National Disaster Relief Fund and the purchase of bonds worth RM17 million by Felcra in 1999, revealed to have been carried out without the approval of the Investment and Finance Committee or the board of directors. The PAC was briefed on the 2005 Report by Deputy Auditor-General Datuk Azizah Arshad at Parliament House yesterday.

It was the first time the Audit Department had briefed the PAC on its reports. Speaking to reporters after the closed-door meeting, Shahrir noted that although government agencies agreed to rectify the shortcomings raised in the reports, problems such as delays in project completion and the quality of work kept recurring almost every year. On why such problems kept cropping up, Shahrir said: "That you will have to ask the new Chief Secretary to the Government, perhaps he will have a new drive or spirit to improve the performance of government departments."

Apart from forming the basis of corrective measures by government departments, audit reports should also be used to improve the monitoring of projects, he added. One of the areas the PAC will be looking into is the disbursement and application of the National Disaster Relief Fund.

"Management of the aid is a matter of concern because the government made an allocation of RM20 million for the tsunami funds, but two-thirds of the total sum collected came from the public," he said. "The department has found defects in the houses built with these funds and that the quality of the boats supplied is poor. "We will also recommend that action be taken against those supplying sub-standard boats and transit quarters."

Another issue which will be looked into is the rising amount of money owing to the Customs Department and the Inland Revenue Board. "For example, a sum of RM8.7 billion in taxes was uncollected by the IRB in 2004. Last year, the figure rose to RM11 billion. Revenue arrears for the Customs Department last year was RM368 million," Shahrir said. "We want to see why so much is uncollected. This is a serious matter as the Customs and IRB are key revenue earners for the Government."