

**1. PAC wants review of RM4b 1BestariNet project**

KUALA LUMPUR: The RM4bil 1BestariNet project which involves 10,000 schools nationwide needs to be reviewed to look into doubtful expenditures, said the Public Accounts Committee (PAC). In a report tabled in Parliament today, PAC rejected the reason submitted by the Education Ministry that it was unaware on the value management lab circular. Under a circular issued by the Economic Planning Unit in 2009, all projects worth RM50 million and above must go through a value management process. PAC wants the Auditor General's Department to carry out a thorough follow-up audit related to the matters raised. 1BestariNet is a project to improve the information communication technology system and the SchoolNet services in schools through 4G broadband connectivity and virtual learning environment (VLE). The project had been deemed as failed from the user-end experience as well as in providing broadband access to the schools. So far only RM663 million has been utilised for the 1BestariNet project over a period of 30 months. PAC added the National Audit Department also must look into the effectiveness in implementing the 15-year 1BestariNet project which was initiated by YTL Communications in 2011. PAC chairman Datuk Hasan Ariffin will follow up on the matter by visiting the schools involved in the project, both in cities and rural areas. The project had previously been raised in the AG's Report 2013 Series 3 on Nov 10, 2014. The report highlighted the delay in installing internet services, the lack of a project committee, feedback from the schools stating the broadband access was unsatisfactory and the ministry's failure to carry out proper research on the needs of the schools.

**2. Eye in the sky: Drones aid in illegal logging monitoring**

DUNGUN: The Forestry Department's quick action has prevented the removal of an excavator from an illegal logging site in the Bukit Bauk Forest Reserve near Kampung Serdang here. Two men allegedly trying to remove the evidence of illegal logging were also detained. Operating using drones, the enforcement unit had monitored illegal logging activities for nearly a week and decided to lay an ambush near the site on Monday to prevent workers from escaping and removing the logs and equipment. "We received a tip-off on the illegal logging in the Bukit Bauk Forest Reserve, which is rich with camphor, keriong and meranti trees. "My men surveyed the site with drones and succeeded in locating the area," state Forestry Department director Datuk Ahmad Fadzil Abdul Majid told the New Straits Times yesterday. He said drones were used to identify possible escape routes and the extent of damage done in the forest reserve. "My men, who were backed up by police, entered the area at 3am and detained two workers in their mid-20s, who were about to remove an excavator from the area. "They also seized a lorry, a four-wheel-drive vehicle and 400 tonnes of logs. "The suspects will be charged under Section 15 of the National Forestry Act 1984, which carries a fine of not more than RM500,000 or 20 years' jail, or both. We are processing the investigation papers." Fadzil said the department had used drones to collect information before laying an ambush to ensure workers entering the forest reserve could not be warned by tontos

(thugs or informants hired by lawbreakers). "This method has been proven to be the most effective. "We can use drones to capture images of the areas that have been encroached on, and conduct a general audit on the number of trees that have been felled and estimate the tonnage. "We will continue with our operation to check illegal logging in other districts during the monsoon season. "This is the time when illegal loggers may take advantage of the rain and floods to remove trees felled in forest reserves."

**NEW STRAITS TIMES** Friday November 4, 2016

### **3. Penang Hospital upgrade will see 6-month closure of operation theatres**

GEORGE TOWN: Ten operation theatres (OTs) at the Penang Hospital here will be closed for upgrading works beginning next month. Deputy Health Minister Datuk Seri Dr Hilmi Yahaya said the closure of the main premises will last six months. However he assured the public that there will be no service interruptions to patients warded at the hospital, as six OTs at its day care centre, known as the Ambulatory Care Centre, will operate as per normal. "The upgrade works are needed to improve conditions at the existing ten OTs. But there will be no interruption to services. "If necessary, the hospital will utilise OT services in other public hospitals, such as Seberang Jaya and Bukit Mertajam," Dr Hilmi said. He was speaking to reporters after opening the World Heart Day at ACC today. Dr Hilmi added that the scope of works, at a cost of RM15.2 million, will include upgrades to the intensive care unit, air conditioning and electrical systems, and the hospital's medical gas plant. "The priority is to complete the ten OTs (first), while other works are scheduled to be completed, in phases, by the end of next year," he said.

**NEW STRAITS TIMES** Monday November 7, 2016

### **4. Medical specialists in the govt sector resigning, lack of promotion prospects**

KUALA LUMPUR: Medical specialists in the government sector are leaving due to the lack of promotion prospects. Deputy Health Minister Datuk Seri Dr Hilmi Yahaya said 128 specialist doctors have resigned in the first nine months this year, while 124 have left the service in 2015. He said a majority of resignations came from medical specialists on Grade U53 and U54, as they had to wait for up to 10 years for a promotion. "Hence we are planning to introduce Grade 56 and the Public Service Department is working on it," he said when replying to a question from Datuk Seri Ikmal Hisham Abdul Aziz (BN-Tanah Merah) in the Dewan Rakyat today during the Minister's Question Time (MQT). Ikmal had inquired on the seriousness of medical specialists' shortage in Malaysia. He also asked if Malaysia will be able to achieve the ratio of 1:400 (doctor to patient) by 2020. Hilmi said as of September this year, there are more than 4,000 specialists in various fields under the Health Ministry. The Balik Pulau MP added that the ratio in 2015 was one doctor to every 650 patients. "In general, regardless on the types of illnesses, we need one doctor to every 520 patients," he said. Hilmi gave assurance that the government is committed to increasing the number

of doctors in the country. "Based on evaluation and initial findings, the target ratio of 1:400 is possible to be achieved by 2030," he said. He added that the government is trying to address the disparity in income between specialists in the government hospitals and their counterparts in the private sector. He said the government had implemented the Full Paying Patient (FPP) scheme to boost the income of government medical specialists. Under FPP, a patient can opt for treatment from a medical specialist and while they pay in full for their treatment, the price is still much lower at government hospitals compared to the private ones.

**NEW STRAITS TIMES** Wednesday November 9, 2016

#### **5. No increase in treatment charges at hospitals and government clinics: MOH**

KUALA LUMPUR: Charges for outpatient treatment and RM5 for Specialist Outpatient treatment will remain unchanged said the Ministry of Health (MOH) secretary-general Datuk Seri Dr Chen Chaw Min. He said treatment charges at hospital and health clinic patients are as according to what has been set in the Fees (Medical) Order 1982. "The charges for patients who chose to get full-paying patient services are based on the Fees (Medical) (Full Paying Patient) Order 2007. Meanwhile, services provided through mobile clinics via land, sea or air are free," he said when commenting on the misunderstanding by members of the public regarding treatment charges at hospitals and MOH clinics that went viral on social media. Dr Chen said the underprivileged, patients with contagious diseases, senior citizens, students, mothers undergoing antenatal care and postnatal treatment as well as children under the age of one are exempted from payment. Meanwhile, in another development, up till Sept 30, government hospitals had a total of 4,474 medical specialists, but may still need to increase the number, said Health Director Datuk Dr Noor Hisham Abdullah. "Although there has been an increase in the number of specialists, there is a need to increase the nation's health services due to factors such as an increase in the population, health complexities, health facilities and services which especially require high expertise and need to meet the people's expectation," he said in a statement here today. Meanwhile, Dr Noor Hisham said the government was greatly concerned over this matter and was constantly trying to maintain the stature of its medical specialists through various initiatives. -- Bernama

**6. Collapsed ceiling of Taiping clinic repaired, facility to reopen tomorrow**

TAIPING: Klinik Kesihatan Taiping, which was forced to shut down yesterday after sections of its ceiling collapsed due to heavy rain, is expected to reopen tomorrow. According to State Health director, Datuk Dr Juita Ghazalie, repair works to the ceiling were completed yesterday. The Public Works Department (JKR) will carry out an inspection of the clinic's electrical circuit this morning. "If everything is okay, the health clinic can resume its operations tomorrow," Dr Juita said, adding that she will visit the building at 12 noon today. It was reported yesterday that the ceiling of the clinic's lobby area gave way at about 12.10pm after four hours of heavy rain. Dr Juita said all operations were temporarily moved to nearby health clinics, and no injuries were reported. Videos of the incident, which circulated on social media, capture the moment a large portion of the ceiling collapsed onto the main floor of the facility, as well as rain water pouring through ceiling panels. Klinik Kesihatan Taiping is the biggest of five government clinics in the greater Taiping township in Perak. 235 reads Klinik Kesihatan Taiping, which was forced to shut down yesterday after sections of its ceiling collapsed due to heavy rain, is expected to reopen tomorrow. Bernama Photo



**7. Hospitals to raise rates for 1st and 2nd class wards in January**

KUALA LUMPUR: New service charges for First and Second class hospital wards will be effective starting Jan 1. Health Minister Datuk Seri Dr S. Subramaniam said, however, that the rate of increase has yet to be decided. According to Subramaniam, only 1.5 per cent of patients are expected to be affected by the new charges, while the remaining 98.5 per cent will enjoy fully subsidy. "The number of in-patients every year is 2 million, and from that amount, 32,000 are from First and Second class wards. "Even though there is an increase, the subsidised amount is still large," he said during a press conference today. Subramaniam said the focus of the ministry is to ensure that low-income groups are not required to pay for health services.

**8. Long delayed Pendang Hospital construction to begin next year**

ALOR STAR: The construction works for Pendang Hospital which has been delayed for a decade, is expected to finally starts in the first quarter of next year. State Health Committee chairman Datuk Dr Leong Yong Kong (BN-Gurun) said the construction, which was supposed to begin this year, was delayed pending approval for its revised cost. Dr Leong said the government had approved a RM200 million allocation for the hospital under the 10th Malaysia Plan (RMK10) but the construction work was delayed due to various factors. "In June 2015, the Public Works Department (PWD) had issued a project construction form. "However, during the project's preliminary meeting on Sept 21, 2016 the PDW had tabled an initial cost review which stated that the hospital's current cost is RM260 million," he told the State Legislative Assembly sitting during the Budget 2017 winding up speech today. He said since the project had exceeded the initial approved allocation, the matter has to be re-tabled to the Economic Planning Unit for re-approval. "I have been informed by the PWD that the project is currently in design stage and the tender process will start by next March." he said in responding to a supplementary question from Datuk Mohd Taulan Mohd Rasul (Pas-Tokai).



**9. (UPDATED) Health, Plantation Ministries to face PAC, follow-up audit for 1BestariNet**

KUALA LUMPUR: The Health Ministry and the Plantation Industries and Commodities Ministry will be re-audited by the National Audit Department. Public Accounts Committee (PAC) chairman Datuk Hasan Ariffin said both ministries will be summoned for a re-auditing during the next Parliamentary session. "These two ministries have been given priority, as they involve the welfare of the people. Other ministries which need to be re-audited will be followed up on later," he said after a briefing on the AG report at Parliament today. Hasan announced that the 1BestariNet Project will also be re-audited due to multiple complaints received from teachers and the public. He said the PAC will visit select schools to assess the 1BestariNet project on its own. Auditor-General Tan Sri Ambrin Buang, who was present, said the re-auditing is necessary, as it involves a large investment by the government, and the PAC wants to gauge the effectiveness of the project on its own. "We want to see the project's impact on the schools, and we need to know if it has made any (impact)," said Ambrin.

**10. AG's Report 2015: IRB's shortcomings in dealing with tax defaulters identified, travel ban implementations need reinforcement**

KUALA LUMPUR: The Auditor General Report 2015 has listed eight major aspects on the Inland Revenue Board Malaysia's (IRBM) travel ban implementation that needs to give due attention. Firstly, no notice of legal action was issued to taxpayers subjected to travel restrictions. Next, it was the delay in the issuance of notice of legal action. The report also stated as of the date the audit was being conducted, the enforcement of travel has yet to be approved in the Self-Assessment System for Non-Company and the status of tax defaulters, who have already been barred from leaving the country, were not updated in the Immigration Status on Travelling Overseas System. A civil suit has yet to be taken against tax defaulters even though they have been barred from leaving the country. There are currently 1,600 cases with restrictions amounting to RM95.25 million. Also, temporary relief has already been approved even before the agreed payment has been received from taxpayers. There are also cases of non-compliance with the conditions set by IRBM for taxpayers who have been given temporary releases with 11 cases of individuals with restrictions amounting to RM1.42million Finally, 14 individuals and one foreigner with travel restrictions amounting to RM990,804 have managed to receive a second temporary release despite the fact that they failed to comply with the conditions set by IRBM upon their first temporary release. The report stated in detail that the failure to provide notice of legal action to taxpayers subjected to travel restrictions account for 704 individual cases with restrictions

amounting to RM24.96 million, 49 cases for company directors with restrictions amounting to RM17.30 million and 194 cases for foreigner with restrictions amounting to RM12.97million. As for the delay in issuance on notice of legal action involving 288 cases of individuals with restrictions amounting to RM11.38 million (delayed between 3 days to 26 years); 3 cases of company directors with restrictions amounting to RM62,804 (delayed between 13 days and 8 months) and 75 cases of foreigners with restrictions amounting to RM6.76 million (delayed between 6 days to 9 years). The Self-Assessment System for Non-Company showed a total of 180 cases were involved with restrictions amounting to RM11.02 million, while the Immigration Status on Travelling Overseas System had 147 cases with restrictions amounting to RM13.69million. In order to further enhance the management's efficiency on handling travel restrictions, the report have recommended that IRBM updates the process of blacklisting tax defaulters from travelling abroad and improves its system in order to enable efficient checking and monitoring on all taxpayers who have been barred from leaving the country. The report said as of June this year, a total of 128,165 certificates of restrictions on travel abroad by Director General of Inland Revenue with tax arrears involved amounting to RM3.4 billion are still in force. Under Section 104 of the Income Tax Act 1967 and Section 22 of the Real Property Gains Tax Act 1976, individuals or company directors would be barred from leaving the country if they failed to settle their taxes.

Federal govt deficit at RM37.19 bln in 2015, says AG report By Bernama - 21 November 2016 @ 3:42 PM Facebook 0 Twitter Share 0 KUALA LUMPUR: The federal government recorded a 0.7 per cent decrease in revenue to RM219.09 billion in 2015 which led to a budget deficit of RM37.19 billion or 3.22 per cent of the Gross Domestic Product. According to the Auditor General Report for 2015 (Series 2), the Parliament had approved R M221.72 billion as operating expenditure of which RM216.99 billion or 97.9 per cent was spent. As for development expenditure, the federal ministries and departments had spent RM40.768 billion (99.4 per cent) out of RM41.025 billion of the approved allocation. The report said the deficit was covered by internal and external loans amounting to RM121.36 billion. Apart from financing the development expenditure, the loans were also used to repay existing debts and to finance the Housing Loan Trust Fund, it added. The report said the National Audit Department audited 25 federal ministries and 40 federal departments in 2015, to evaluate whether their financial management was in accordance with related laws and financial regulations. Audit findings revealed that overall financial performance of the ministries had declined as compared with the previous two years. In 2015, only 16 ministries were rated as excellent, down from 20 ministries in 2014 and 23 ministries in 2013. However, performance of financial management by federal departments showed an improvement, with 22 out of 40 departments rated as excellent in 2015 as compared with 29 out of 51 departments in 2014 and 21 out of 45 departments in 2013. Surprise checks were also conducted at 226 federal departments and offices at state and district levels, with findings showing that a number of offices did not fully comply with stipulated financial regulations. The findings included mail registers, cash books and petty cash books not properly maintained or updated accordingly, surprise inspections not conducted as required, and power not delegated to the relevant officer in charge of the safe box.

Besides mandatory audits, the National Audit Department also carried out special evaluations on the financial management performance of premier grade officers, with 29 of them evaluated in 2015. The report said a total of 33 meetings were conducted by the Public Accounts Committee during the year. The meetings were also attended by representatives from the National Audit Department, the Ministry of Finance, the Public Service Department, the Accountant General's Department and the Economic Planning Unit. -- Bernama

## **NEW STRAITS TIMES** Monday November 21, 2016

### **11. Discrepancy in JPKK's equipment procurement, staggering 900 per cent price difference**

KUALA LUMPUR: A 900 per cent difference in price paid for the same type of learning and teaching equipment purchased by Community College Education Department (JPKK) was revealed in the Auditor General Report 2015.

In the AG's report based on an audit performed from October 2015 to April 2016, it was discovered that JPKK had procured teaching and learning equipment (PDP) for the use of 94 community colleges in the country.

The report stated that there was significant differences in equipment price, between RM1,000 (17.2 per cent) to RM7,200 (900 per cent), for the same type of equipment and specification.

Other problems highlighted include the planning of PDP equipment procurement, which did not take into account compliance toward financial regulations to avoid split procurement.

## **NEW STRAITS TIMES** Monday November 21, 2016

### **12. AG's Report 2015: Sabah THDA failed to collect RM1.2 mil from RRHP's tenants**

KUALA LUMPUR: Tenants of Rental and Resettlement Housing Programme (RRHP) in Sabah failed to pay RM1.2 million worth of rent between one to 131 months from 2013 to 2015. The uncollected rental accrued included water bills. According to the Auditor General's report, the Sabah Housing and Town Development Authority (THDA) is responsible in managing five RRHP projects. The projects include Taman Jaya Diri and Taman Bukit Setia, Kuala Menggatal; Pangsapuri Tanjung Aru; and Taman PuriWarisan 3A and Taman PuriWarisan 3B, Inanam. However, the report also stated that between 2013 to 2015, THDA managed to collect RM12.71 million in rental income. Meanwhile, a total of RM8.1million was allocated for maintenance and RM6.18 million or 76.3 per cent was spent.



THDA also received and fully spent an allocation from Ministry Of Urban Wellbeing, Housing and Local Government amounting to RM2.37 million.

## **NEW STRAITS TIMES** Monday November 21, 2016

### **13. (UPDATED) Health, Plantation Ministries to face PAC, follow-up audit for 1BestariNet**

KUALA LUMPUR: The Public Accounts Committee (PAC) will haul up the Plantation Industries and Commodities Ministry and Health Ministry over issues outlined in the second series of the 2015 Auditor-General's Report tabled today. PAC chairman Datuk Hasan Arifin said the Plantation Industries and Commodities Ministry will be asked on the palm oil subsidy while Health Ministry on the hospital management, maintenance and supplies of medicine. "We will call them up at the next (Parliament) sitting. There are also other ministries to be called but these two are the priority," he said after a briefing with Auditor-General Tan Sri Ambrin Buang in Parliament. Hasan also announced that the AG Department will conduct follow-up audit on 1BestariNet Project due to multiple complaints from teachers and the public. PAC would visit selected schools to find out more about the 1BestariNet project. "It will comprise all types of schools including those in urban and rural areas, vernacular, primary and secondary, to identify issues faced by them," he said. Ambrin who was present, said the follow-up audit for the project was necessary as it involved a large investment by the government and the PAC wanted to know the effectiveness of the project. "We want to see the project's impact to the schools and if it has changed anything," said Ambrin. The 1BestariNet was introduced by the former deputy prime minister when he was Education Minister in 2010. The project serves to provide 4G broadband connectivity to over 10,000 schools for virtual learning environment. The 2015 Auditor-General's Report (Series 2), which was tabled in Parliament today, saw 77 performance audit and 19 management conducted at federal and state levels as well as for statutory bodies.

## **NEW STRAITS TIMES** Monday November 21, 2016

### **14. Delayed seven years, police training centre project labelled "sick" by Works Minister, tagged "unsatisfactory" by AG Report**

KUALA LUMPUR: A project to build a police training centre in Bentong, Pahang had been delayed for more than seven years according to the Auditor General Report 2015 Series 2. Auditor General Tan Sri Ambrin Buang pointed out that the construction management of the project that was owned by the Home Affairs Ministry and implemented by the Public Works Department (PWD) was

"unsatisfactory". It cited disorderly construction procedure, inappropriate design, unsatisfactory work quality and the overall ineffective monitoring by the Home Affairs Ministry, the PWD and their consultants as further weaknesses. "Extension of Time (EOT) for first contract was approved 7 months after the original completion date. Project costs for second contract had increased inappropriately to RM12.88 million (including electricity cost worth RM3.8 million) due to the consultant's failure in assessing remaining works," he said. In 2014 the project had been dubbed "sick" by Works Minister Datuk Seri Fadillah Yusof who said his ministry was closely monitoring it. The project was 63.5 per cent complete during the department's visit in April and the report cited that it was targeted to be finished by Aug 30. The facility was commissioned at a ceiling price of RM150 million under the Ninth Malaysia Plan covering 526.09 ha.

**NEW STRAITS TIMES** Tuesday November 22, 2016

#### **15. Revamp of Felda key positions possible following damning AG Report findings**

SHAH ALAM: The government is looking into ways to improve the governance of the Federal Land Development Authority (Felda), including the possibility of revamping its key positions. This came about following the Auditor General's Report 2015 Series 2 tabled in Parliament yesterday (Monday), which revealed that Felda suffered a RM73.63 million loss from its three projects that were not approved by two relevant ministries. Minister in the Prime Minister's Department Senator Datuk Paul Low Seng Kuan said the problem highlighted in the audit report was an issue of breakdown in governance and integrity of people responsible. He said the government has clear procedures in project tendering and approvals, but is lacking in enforcement which led to non-compliance of procedures. "First, it has to do with integrity of the person involved. That is why when we (government) select people (into key positions), they must be those of high integrity and not only based on competency and talent alone. "Second, it is a breakdown of process. The government procedures are very clear, but the issue is with compliance. They did not go through the proper process, which requires one to ascertain the need for a project and then specifications needed, before calling for a tender. "And the tender should always be an open tender, unless there's intellectual property involved, or an issue of security. Any conflict of interest also must be declared," he told reporters at Shah Alam Convention Centre, here today. Low was attending a conference organised by the Selangor State Development Corporation (PKNS) on integrity, titled 'Strengthening Integrity and Risk Management Towards Best Corporate Governance'. He said the government was going to make sure that the accountability process and framework must be in place in entities like Felda. "I believe that the Malaysian Anti Corruption Commission should investigate if there's any wrongdoing, and I believe that they are already on it. And in the civil service, disciplinary action also should be taken by the Chief Secretary to the Government. "From my side, I will have to look into this and identify the flaws (in Felda governance), find out why this is happening

and propose corrective actions." The audit report on Monday revealed that there was no feasibility study and due diligence undertaken by Felda prior to the Sturgeon Fish Farming, Savaro Restaurant and Schneeballen Pastries projects, to determine the need and location, technological capabilities, leading to the loss. It also highlighted that there was no approval from the Rural and Regional Development minister and the Finance minister for the establishment of the four subsidiary and sub-subsidiary companies for the implementation of the three projects.

**NEW STRAITS TIMES** Tuesday November 22, 2016

#### **16. AG Report: High concentration of heavy metals in river water at bauxite mining areas**

KUANTAN: High concentration of heavy metals were detected in rivers near bauxite mining areas here, according to an audit analysis of water quality sampling conducted by the Department of Environment (DoE). Based the 2015 Auditor-General's Report (Series 2), the sampling were carried out based on three parameters - heavy iron metal, mercury and aluminium - at nine locations in Sungai Riau, Mabok, Penang, Kuantan and Kuala Sungai Karang. The result - the parameters in most of the river were found to have exceeded the National Water Quality Standard For Malaysia. "The highest parameter for aluminium was 7.3mg/L in Sungai Kuantan in February 2016, while the highest parameter for iron was 10.32mg/L in Sungai Riau in August 2015," said the report. However, for mercury, the report showed no elevated level after August last year in all the locations. The audit report stated that the chemical analysis on aluminium at Sungai Taweh and Sungai Rong also exceeded those standards, namely 1.5mg/L and 0.96mg/L respectively. "The results of the chemical analysis exceeded the standard of Group IV (0.5mg/L) of the National Water Quality Standard for Malaysia. Subsequently, in March, the DOE conducted another inspection at Sungai Taweh and found the aluminum parameter also exceeded the standard," the report said. The report said the DoE's schematic sketch map showed the bauxite laundering activities near Sungai Taweh and Sungai Rong with water from Sungai Taweh and Sungai Rong, will cause it to flow into the intake point of Bukit Sagu and Bukit Goh water treatment plants. In this regard, the report said the Land and Mines Office and the Department of Mineral and Geosciences will control the deposition pool so that it would not overflow into Sungai Taweh by sucking the water and covering the pool with soil. The report, however, mentioned that the action to shut down the pool had yet to be taken. Meanwhile, the audit report said, the average Water Quality Index in five river basins were are in the clean category and four more in the moderately polluted category. Land-clearing activities such as farming, logging and mining have caused contamination of raw water sources and closure of water treatment plants, according to the report. - Bernama