

Saturday August 1, 2009

Builder submits detailed report to DBKL

By BAVANI M

A SECOND report, this time with full details including the cause of the accident at the Jalan San Peng cave-in which occurred last Saturday, has been submitted to the Kuala Lumpur City Hall (DBKL). The developer of Kenanga Wholesale City, the seven-storey garment warehouse under construction in Jalan San Peng said they had re-submitted a more detailed report on the incident on Thursday. "It is professionally done and includes all the technical details," said the company's managing director Bernard Bong. Bong, however, refused to divulge the reason for the accident, saying that he would leave it to Kuala Lumpur mayor Datuk Ahmad Fuad Ismail to do so. He said multiple factors brought about last week's mishap. On Wednesday, the developers were instructed to re-submit a more detailed report in 10 days to the DBKL.

DBKL had rejected the initial report because it did not explain what had caused the collapse. Meanwhile, Federal Territories Minister Raja Datuk Nong Chik Raja Zainal Abidin made a second visit to the area on Wednesday to present aid to the affected families. The minister said the DBKL had also hired an independent consultant to find out what caused the collapse and that he would wait for both reports to come in before deciding on what to do. Nong Chik presented 22 families with RM800 each, courtesy of the Federal Territories Foundation and the DBKL. On Saturday, a large section of Lorong Gelugor, measuring 60m long and 12m wide, caved in. The Kenanga Wholesale City project's wall had also collapsed. A total of 22 families were evacuated from the damaged City Hall and Public Works Department quarters.

Saturday August 1, 2009

MPKj sued for RM1.5mil

By OH ING YEEN at the Kajang Municipal Council Full Board Meeting

THE Kajang Municipal Council (MPKj) is being sued by a resident for tearing down an illegal extension. The resident is seeking RM1.5mil in damages. At a press conference after the MPKj full board meeting on Thursday, MPKj legal officer Mohamad Ruzaini Ramli said the house owner was suing on the basis that the council had used the wrong procedure when tearing down the structure. "This issue is under liability. The council tore down the structure, which was situated in Bandar Sungai Long, in 1999. "Although the owner had

submitted an application to build a garage and store, the structure deviated from the approved measurements; hence we had to tear it down,” he said.

The outcome has yet to be determined as the hearing is on-going at press time. Councillor Tan Han Kuo pointed out that Kajang residents had received their assessment bills later than those living in other municipalities and requested that they be given the bills on time. Another issue about assessment that was raised concerned the Rest and Relax (R&R) outlets along the highways. Valuation and Property Services department officer Abd Haizul Faizal Abd Hamid said the council had been collecting assessment from toll concessionaires since 2001. “The management offices and R&R outlets owned by toll concessionaires are charged in accordance with the rates for the areas where they are located. “Those located in Kajang have to pay a rate of 9.9% while those in Cheras and Semenyih have to pay 8.8%,” he said.

Monday August 3, 2009

Tee Keat: I’m not trying to be a hero



PETALING JAYA: MCA president Datuk Seri Ong Tee Keat has denied a Pahang Barisan Nasional leader’s claim that he chose to probe the Port Klang Free Zone (PKFZ) issue to appear heroic. He said he could not ignore the issue as it was under his jurisdiction. “The issue is no longer about an individual, the Transport Ministry, or problems between MCA or DAP,” he said after opening Pahang MCA state convention here yesterday.

Ong said MCA supported the investigations into the PKFZ because it wanted the real culprit to be prosecuted. “We have to view this seriously and be impartial,” said Ong, denying that all this was a political move. “It is impossible for an MCA president who is already a minister to go any higher”. Ong did not reveal the identity of the Barisan leader, only revealing that the leader was not from MCA and that he had once held an important position.

Monday August 3, 2009

Up to RM12bil set aside to develop rural areas

PORT KLANG: Between RM8bil and RM12bil have been allocated to develop rural infrastructure which includes installing water and power supply. Rural and Regional Development Minister Datuk Shafie Apdal said the allocation would include the building of 1,500km of roads and 50,000 houses for the hardcore poor until 2012. Of the amount, RM4bil was for building and upgrading of roads in the peninsula, Sabah and Sarawak. "Some 13,000 houses for the hardcore poor have been built so far. "We are targeting 17,000 houses by the end of the year," he told reporters after opening the Klang Umno division delegates' meeting here yesterday.

Shafie, who is also an Umno vice-president, said the party was working on ways to attract more people to join as Umno members, and get its members to register as voters. In another development, Shafie condemned anti-ISA protesters for taking their frustration to the streets. "Businesses and the public are the ones to suffer from the protest," he said.

Shafie said the ISA remained an important legislation but agreed it must be reviewed. "The bombings in Indonesia are a clear example of why the ISA remains relevant." On Umno and PAS unity talks, Shafie said Umno welcomed discussions that would unite the Malays, adding that Malay unity was vital for the good of the nation. PAS must show sincerity in seeking such talks, he added.

Monday August 3, 2009

Rubbish mars Pusat Bandar Puchong

By THO XIN YI

WITH no designated bins for domestic rubbish, the commercial area in Pusat Bandar Puchong has become a filthy and unpleasant place. The tenants and residents are disposing of their garbage at parking lots and five-foot ways along Jalan Bandar Satu and Jalan Bandar Dua. Mattresses and cardboard boxes are among the items dumped at the sites. This unhygienic practice has also attracted stray dogs to the area. Shopowner T. Pukalenthil said rats could also be seen scurrying about everywhere. "This has been happening for many years. Whenever we complain to the Subang Jaya Municipal Council (MPSJ), they will clean up the mess. "But this is not a permanent solution. What we need is a big rubbish bin for people to throw their garbage," he said.

Subang Jaya Municipal Council councillor Tan Jo Hann said he had suggested to the council to place public bins at certain spots to curb the problem. "The shopowners have also bought their own bins but these were stolen. "Nonetheless, the long-term solution is educating the people on the correct ways of handling waste," he said.

Monday August 3, 2009

RM3.2m Raub assessment fees not collected

RAUB: Many owners of houses and business premises here are yet to settle assessment fees amounting to RM3.2mil, said Raub District Council president Datuk Abdull Muain Abdul Hamid. He said, of the amount owed to the council up to last year, only 9% or RM288,000 had been collected. "Based on our estimate, the council should receive RM3.6mil in assessment fees every year. "In the first six months of this year, we collected 45% of the amount. "Taxpayers should pay immediately to avoid late-payment charges or court action," he said after chairing a dialogue with the Taman Kemajuan community near here recently.

A host of issues were brought to the council's attention, particularly those involving public amenities in housing estates. Abdull Muain said his enforcement officers had sent notices to remind taxpayers of their obligations. He said that door-to-door operations had also been conducted to locate those who were adamantly not paying. "We need the people's commitment to settle the fees so that we can use the money to improve public infrastructure and amenities," he said.

On the dialogue, he said it was a good platform for the public to air grouses and provide suggestions for the district council to improve efficiency. He said the council was willing to listen to constructive criticism and ideas. "We express our gratitude to other agencies which supported the initiative, such as Alam Flora Sdn Bhd, Tenaga Nasional Berhad, Water Supply Department, Public Works Department and Drainage and Irrigation Department, by sending representatives. "I was told that some members of the public took the opportunity to settle their fees and were rewarded with gifts in a lucky draw," he added.

Abdull Muain urged the people not to delay in assessment fee payment as this would burden all parties.

Monday August 3, 2009

Awang: Kelantan contractors are hypocrites

KOTA BARU: Kelantan contractors hoping for projects from the Federal Government have been criticised as being hypocrites for rejecting the Government that could bring development to the state. Deputy Finance Minister Senator Datuk Dr Awang Adek Hussein said these contractors should be told off for "biting the hand that feeds them and play-acting". "If this group does not change, the play-acting will go on. I'm tired of their hypocrisy as they have a choice in changing the situation," he told reporters after opening the 32nd annual general meeting of the Kelantan branch of the Malaysian Malay Contractors Association here recently.

He said he regretted their attitude, adding that they should play a role in bringing change to Kelantan but were instead only asking for projects from the Federal Government. “They depend on the Federal Government because the state does not have any development projects. The Federal Government spends RM2bil annually on Kelantan and the state’s expenditure is merely RM100mil,” he said. — Bernama

Tuesday August 4, 2009

PM launches Special Economic Zone (Update)

KUANTAN: Prime Minister Datuk Seri Najib Tun Razak has launched the country’s first Special Economic Zone that aims to bring in RM90bil worth of investments and create 220,000 jobs by 2020. The SEZ, which would cover an area measuring 25km by 140km from Kertih in Terengganu to Gambang and Pekan in Pahang, would attract more investments to the [East Coast Economic Region](#) (ECER), he said on Tuesday. The SEZ will focus on high technology, knowledge based activities and the services sector, and will see the creation of four “free zones” covering two sea ports and two airports in the area, with Kuantan port being the main gateway. The integrated development zone will give more traction to economic activities in the area, and would be the biggest such economic zone in all of Asia, Najib said.

Investors in the zone will enjoy many special incentives, including a 10-year tax exemption, 100% investment tax allowance, and exemptions from import and export duties. “For the first time, investors will be offered incentives that can be customised specially for them,” Najib said. The Prime Minister added that the ECER SEZ is part of the [new economic model](#) his administration has promised for a fairer distribution of wealth, to ensure that the region’s rapid growth is enjoyed by all. He said that the ECER had so far attracted RM24bil in investment since its launch in 2007 by his predecessor Tun Abdullah Ahmad Badawi. Najib also launched an ECER agropolitan project for Pekan to promote the development of growth centres in rural areas. The growth centres would provide sustainable income for people there and help eradicate hardcore poverty, he said.

Tuesday August 4, 2009

Najib: ‘Full commitment needed in implementing KRA and KPI policies’

By MAZWIN NIK ANIS

PUTRAJAYA: The national Key Result Areas (KRA) and Key Performance Indicators (KPI) policies are now in “action mode” and civil servants must ensure that their implementation meet the rakyat’s expectations. Prime Minister Datuk Seri Najib Tun Razak said the days of introducing and explaining the rationale behind the national KRAs and KPIs were over and it was now “time for action”. “Now that the gear has been shifted to action mode, I am

asking all government administrators and public service staff to give their full commitment in implementing these policies. "I also want to see determination in civil servants to fulfil the people's expectations of what the end results of the KRAs and KPIs should be. I want this to be in the mindset of all," he told staff of the Prime Minister's Department at its monthly gathering yesterday.

Also present were Deputy Prime Minister Tan Sri Muhyiddin Yassin, Minister in the Prime Minister's Department Tan Sri Dr Koh Tsu Koon and Chief Secretary to the Government Tan Sri Sidek Hassan. Najib said that to ensure that targets were achieved, it was important for administrators and civil servants to work closely, adding that only through strong teamwork could the Government ensure it performed according to public expectations. "The public will be scrutinising our performance; not the slogans we shout nor our great oratory skills and neither do they want to listen to our rhetoric. "We must also have a strong sense of accountability, be willing to sacrifice and allow ourselves to be criticised or even 'punished' if we fall short in delivering our promise," he added.

Najib said the Government felt it was important to achieve the targets within the stipulated time frame as the people wanted to see results, adding that he had introduced KPIs as he believed they were one of the most effective tools to gauge efficiency and competency. "I believe that through teamwork we can also meet our aspiration to transform the country in a significant way, whether we want to be a developed nation or a nation where the economy is based on innovation, information or knowledge. We can achieve this if we perform," Najib said.

Tuesday August 4, 2009

PKA to get special task force's report by Monday

PORT KLANG: The special task force formed to oversee the controversial Port Klang Free Zone (PKFZ) project is expected to present its report to the Port Klang Authority (PKA) by Monday. PKA chairman Datuk Lee Hwa Beng said the authority and Transport Ministry would study the report before taking further action. "We think we should wait for the outcome of the task force's report. We will decide later. I can't comment more," he said after chairing the monthly PKA board meeting here yesterday.

Lee said the task force had been instructed to provide the report to the PKA by Aug 10. It was set up in June to make an in-depth analysis and make appropriate recommendations to the PKA on actions to be taken. Lee also said that it was not an easy task for him or the board members to carry out. In a related development, Lee said the PKA has appointed Kee Lian Yong as its new general manager, effective July 6. He replaced Lim Thean Shiang, who resigned last month.

Lee said Kee's current responsibility would be to study the report presented by the ad hoc committee on administration and corporate governance set up by the Transport Ministry. He added that the head of the ad hoc committee, Datuk Paul Low, had been invited to sit on the PKA board for the next six months. Malaysian Institute of Corporate Governance secretary-general Paul Chan has been appointed as alternate member to Low. On the Selangor state government proposal to appoint its exco member Dr Xavier Jayakumar and Selangor Economic Planning Unit director Datuk Noordin Sulaiman as PKA's directors, Lee said they have rejected the proposal. He said the PKA, as a federal government agency, needed more independent individuals.

Wednesday August 5, 2009

Tourism Ministry officials probed over RM10mil deal

By LOURDES CHARLES

KUALA LUMPUR: The Malaysian Anti-Corruption Commission (MACC) is investigating several officials from the Tourism Ministry following allegations of irregularities. It is learnt that the MACC was investigating the awarding of a contract to a foreign company that did not have the expertise to run a project that is said to be worth more than RM10mil. Sources said the MACC had so far hauled up several people, including witnesses and those involved, including the contractor to assist in their investigations.

MACC officers would also be sent overseas to collect documents and files pertaining to the awarding of the contract, allegedly made via direct negotiations. "MACC is also expected to question an agency under the ministry, alleged to be involved in several irregularities involving the award of contracts for construction projects. "However, it is too early for the MACC to say anything to avoid jeopardising its investigations," the source said.

Wangsa Maju MP Wee Choo Keong had in June raised in the Dewan Rakyat several issues concerning the Tourism Ministry. He had alleged that the ministry was involved in irregularities, especially in the awarding of contracts to a company that had no expertise in the field.

Wednesday August 5, 2009

New economic zone to create 220,000 new jobs by 2020

PEKAN: The country's first Special Economic Zone (SEZ), launched by Prime Minister Datuk Seri Najib Tun Razak Tuesday, is expected to generate investments worth RM90bil and create 220,000 new jobs by 2020. The Prime Minister said the SEZ was expected to contribute more job opportunities and yields compared with the East Coast Economic

Region (ECER). The SEZ covers an area of 3,875 sq km from Kerteh in Terengganu to Pekan and Gambang in Pahang. Najib said the ECER SEZ was part of a new economic model designed by the Government that promises a fairer distribution of wealth and growth to be enjoyed by all.



Special zone launched: Najib looking at a map of the East Coast Economic Region's Special Economic Zone and the Pekan Agropolitan project in Pekan Tuesday. With him are (from left) Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat, Pahang Menteri Besar Datuk Seri Adnan Yaakob and ECER council chief executive officer Datuk Jebasingam Issace John (fourth from left).

“One of the projects identified is the Kuantan Port which will get a massive face-lift. Its current annual cargo bulk is expected to increase from 16.8 million metric tonnes to 30 million metric tonnes by 2020. “It will involve construction of additional berths and wave breakers that will see the port becoming the main entry and exit point for the export and import of goods,” Najib said in his speech at the launch of the ECER SEZ at Runchang here yesterday. In a move to attract investors, the Government will approve a set of special incentives for them including tax exemption for 10 years, Najib told reporters later. “The Government has decided to offer additional incentives for those who showed merit, on top of those that have already been given. This will be on a case-by-case basis,” he added.

Najib also launched the Pekan Agropolitan Project that promotes the development of growth centres in the rural areas to provide sustainable income and eradicate hardcore poverty. He later witnessed the exchanging of the cooperation agreement between ECER DC and Felda, which is the main implementing agency to manage participants involved in the agropolitan project. The participants will be involved in oil palm plantation and sheep rearing as the primary activity. Among the guests were Pahang Menteri Besar Datuk Seri Adnan Yaakob, Terengganu Menteri Besar Datuk Ahmad Said, Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat, Agriculture and Agro-based Industries Minister Datuk Noh Omar and ECER Development Council chief executive officer Datuk Jebasingam Issace John. Najib also said the Government would consider creating SEZs in other areas in the country if they were suitable. He said the SEZ would not affect the development of the ECER.

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Wednesday August 5, 2009

Designated zones for sand dredging in Sabah

KOTA KINABALU: Sabah will set up specific zones along rivers for sand dredging in efforts to overcome illegal and haphazard dredging activities, said Minister in the Chief Minister's Department Datuk Nasir Tun Sakaran. The Land and Survey Department will be proposing specific areas along rivers for the purpose of sand mining. "Any application for temporary occupation lease for sand mining will only be permitted at the designated areas," he told the state assembly yesterday.

Nasir said a special committee was expected to meet on Aug 12 to decide on the areas to be zoned. State Tourism, Culture and Environment Minister Datuk Masidi Manjun, in responding to problems of river pollution, urged the public not to treat rivers as rubbish dumps. He called on elected assemblymen to educate the public to love the rivers, citing the rubbish strewn in Sungai Petagas here as an example of the lack of civic consciousness. Asked about dead fish appearing in Sungai Segaliud, where a new water intake point was scheduled to be commissioned soon, Masidi said the cause was not necessarily due to pollution from oil palm mills. "We have to investigate to determine what caused the death," he added

Thursday August 6, 2009

Gani's views sought in PKFZ probe

By ZULKIFLI ABD RAHMAN

PETALING JAYA: Attorney-General Tan Sri Abdul Gani Patail will be called before the Public Accounts Committee (PAC) on Aug 12 to give his views on the controversial Port Klang Free Zone (PKFZ) project. PAC chairman Tan Sri Azmi Khalid said many legal issues had cropped up during the PAC hearing and Gani's opinion could help to clear some questions. "There are many things that we need to find out before we go to the next step. That is why we need the Attorney-General to attend the inquiry. "Among them is the question of whether the four letters issued for the project by two former Transport Ministers should be considered as government guarantee letters or supporting letters. "We are also calling up more people, and hopefully, we can complete the report before Parliament sits again in October," he said yesterday.

During the course of the inquiry, former transport ministers Tan Sri Chan Kong Choy and Tun Dr Ling Liong Sik had told the PAC that the four letters were not guarantee letters and had no financial implication on the Government. Dr Ling had issued the first letter on 2003 and the rest were issued by Chan in 2004, 2005 and 2006. Azmi said that among those who would be called up are Transport Ministry secretary-general Datuk Zaharah Shaari, the Klang Port Authority board of directors and other government officials. He added that the PAC would also call up Kuala Dimensi Sdn Bhd chief executive officer Datuk Seri Tiong King Sing.

Thursday August 6, 2009

Opposing groups in heated exchange over cheque books and accounts papers

By FLORENCE A. SAMY newsdesk@thestar.com.my

KUALA LUMPUR: The Matta controversy has taken another twist when a commotion broke out at its headquarters over cheque books and accounts documents. The police were called in to ensure calm after opposing groups gathered and exchanged heated words at the office in Desa Pandan yesterday. The police, who were called by both sides, guarded the office until 2pm to prevent any untoward incident. Matta has been embroiled in controversy and a leadership tussle since its annual general meeting on June 27. Elected president Datuk Joshua Peter Tan said he went to the accounts manager's office yesterday to inquire about accounts documents and cheque stubs following complaints that cheques were being issued without his knowledge. Soon a crowd gathered with one group expressing concern and alleging that financial documents would be unlawfully taken away and the money would "disappear."

The number of people from both sides increased as they shouted and exchanged heated words with one another. Tan denied accusations that he wanted to seize documents or take the money for his own use. "How do you feel if as a president, you do not know what is going on? At the end of the day, I am answerable to our 2,700 members. "The treasurer was not around at the time and I casually inquired and asked the accounts manager to prepare the accounts documents and the list of cheques issued over the past week. It is wrong in the eyes of the law to take orders from the old exco members. "I did not demand that he hand over the documents there and then. I only wanted him to prepare them, " Tan said

The accounts manager, who saw Tan initially, later locked himself in the room to wait for the treasurer after an exco member entered his room. Treasurer Razali Mohd Sham, who was not at the office when the commotion started, said the accounts manager wanted to wait for him as there were a few people who wanted to enter his room although they had no right to look at the documents. "I met with Tan after the commotion and we agreed that in future, anything to do with accounts should be referred to me first to avoid any incident," he said. Tan agreed with Razali. Meanwhile, immediate past president Ngiam Foon, who was appointed by some exco members as the caretaker president, said Tan should show proof of allegations that cheques were being issued discriminately. "Any question on finance should be referred to the treasurer and not the staff. It is unusual for some office-bearers whose portfolios do not include accounts to enter the accounts manager's room," he said.

Ngiam was appointed as caretaker president on July 23 by 16 exco members who cast a vote of no-confidence against Tan during a controversial handing-over of duties. In a letter dated Aug 3 to Tan, ROS registrar Datuk Mohd Alias Kalil said Matta's administration would continue as usual until investigations were completed or until a court order was issued on Matta.

Friday August 7, 2009

Bussiness - How to handle risks you face due to economic environment

Whose Business Is It Anyway? - By John Zinkin



LAST time I wrote about the importance of understanding systemic risk – those circumstances that threaten the very system itself. Today I will deal with strategic risk – those elements that can destroy the strategy adopted by the company. Strategic risk comes in six forms: political, economic, financial, socio-cultural, technological and competitive. Since most Malaysian boards are already very finely attuned to political risk, I will focus only on economic risk and explore the others in subsequent articles.

Economic risk takes different forms.

Boards must understand the vastly different effects that growing, stagnating and declining economies have on business prospects:

a. *Growing demand*: Boards need to ask in times of overall rising demand whether the rates of growth are sustainable or merely creating an asset bubble, which will have to be unwound painfully later. If an asset bubble is being created, the board must know how long it is likely to last and, more important, how the company will be affected when it finally bursts, and therefore how to prepare for it.

Boards will need to have early warning indicators which cover what is happening to rates of productivity and attendant inflation. This will help them know whether they will be short of scarce resources at critical times and whether they can raise prices if necessary to compensate for increased costs, which will in turn depend on whether customers are resistant to price increases or not.

By looking ahead, boards can get management to think of actions designed to help them get access to scarce resources and talent in boom times and, equally important, to think about holding on to talent rather than losing it to other companies.

In thinking about how consumers will react, it is vital that boards understand whether it is domestic suppliers that are satisfying the pent-up demand or whether it is importers who are bringing in goods from low-cost economies like China and Vietnam.

This matters, as Malaysian companies know to their cost, because one of the most important reasons why the world had rapid growth without inflation in the 1990s and the first years of the 21st century was the entry of huge pools of cheap and skilled labour into the global economy when first China and then Eastern European countries gave up communism.

A key lesson from the years of the dotcom boom was that the tech sector lost control of its inventories and its credit as a result of over-optimistic sales forecasts that the boom would go on forever, financed by vendor credits that turned into losses caused by bad debts.

It is a lesson that is being repeated again in 2009 as companies across a huge range of industries and sectors discover to their horror that the boom years have led them to invest in excess capacity that will have to exit the market somehow if the economy is to find its footing once more.

b. *Stagnant demand*: Times of stagnant demand may not seem to be problematic, but they still are because shareholders continue to expect high yield and double digit rates of growth. Increasing revenues in a stagnant market must come at the expense of someone else's market share.

This puts extra pressure on the need to save costs, and as cost savings are passed back down the supply chain, one company's savings becomes another company's fall in revenues, thus exacerbating the need to cut costs further.

c. Declining demand: Times of demand destruction are the hardest to deal with, especially in today's world of extended supply chains where management is often faced simultaneously with the problems of selling to people who are too scared to buy and the problems caused by disruptions to integrated supply chains as well.

In these circumstances, the key questions boards must answer are about the survival of the company. Is the balance sheet strong enough to continue operating independently? If not, the company must look for a saviour or be prepared to go bust. However, if the balance sheet is strong, there is an opportunity to acquire distressed assets cheaply.

Above all, the company will need to think about how to minimise its indebtedness as the real cost of borrowings in a deflationary environment is very high.

As always, after the economy hits bottom, it turns around. The question is when, and will the company be prepared for the upturn? That again is the role of the board to consider, so that the company does not miss out on future growth because of excessive cost-cutting and disposal in the short term to keep its head above water.

Boards must remember these points as they consider why some companies do well in bad times and others do badly in good times. Getting it right remains the board's responsibility.

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