

**'Yen Yen's response an excuse to avoid open tender'**

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Selangor senior exco member Teresa Kok today told off Tourism Minister Ng Yen Yen for making "tremendously weak" excuses to justify spending more than 150 percent more for advertising.

Calling for an investigation into the ministry's shortcomings highlighted in the Auditor-General's Report 2010, Kok said that Ng's response appears like an "irresponsible" move to "protect business relationships with handpicked media outfits and suppliers".

Ng's claim of 15 percent commission charges by "intermediaries" goes against industry practice, where media agencies respond to open tenders with more competitive prices, she said.

"It has been my experience in discussions with some media experts that there are media agencies that even return rebates of up to 17 percent in its proposals," she said in a statement.

Kok (left), who is Investment, Industry & Trade exco member, added that media experts who handle such significant contracts would also know how to minimise costs for the Tourism Ministry.

She added that open tenders give a better guarantee of outcome, and does not put the government in an unhealthy dependence on a handful of providers who can use this to give shoddy service.

"Undesirable results - such as seen in previous ministry contracts, specifically in the case of the 'metal pamphlet racks' that were purchased at an outrageous price - can be circumvented," she said, referring to the RM1.95 million spent on 1,000 racks.

The Tourism Ministry purchased the racks for Visit Malaysia Year 2007 from Leo Communications Sdn Bhd in 2006.

'Unfair spending when rakyat are hurting'

Kok said that the fact that 72 percent of the ministry's advertisement purchases were made through wasteful direct negotiations is unfair to the rakyat who are being forced to tighten their belts.

"I suggest that the ministry adheres to the policy directives of the Finance Ministry, practices ethical contract agreements via open tenders, and manages the rakyat's money with utmost care and responsibility," she said.

Yesterday, Ng said that the advertisement spending for 2009 and 2010 was above board, within budget and followed Finance Ministry procedure, which also allowed for direct negotiations.

This follows the AG's recommendation that an internal probe be conducted and disciplinary action taken if it is found that abuse of power occurred in the Tourism Ministry's procurements.

The audit report said that for the year 2009 and 2010 the Malaysian Tourism Promotion Board had purchased advertising space for RM194.31 million, but going through a tender process the same jobs would have only cost them RM75.38 million.