

Civil servants fear losing jobs in IWK restructure
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KUALA LUMPUR, Dec 15 — Some 200 employees with the government's Sewerage Services Department (SSD) are lobbying against its dissolution under Putrajaya's privatisation plan for Indah Water Konsortium (IWK), complaining this would force them to lose their pensions and public servant retirement benefits.

The Malaysian Insider understands that 98 per cent of SSD's staff, including some 120 technical staff, had protested the move during a special briefing with the Public Service Department (PSD) at the Pullman Hotel in Putrajaya last week.

A source from the Energy, Green Technology and Water Ministry told The Malaysian Insider that the group's objection, coupled with rising resistance from within the ministry, could threaten to derail IWK's controversial restructuring exercise.

However, the source noted that Cabinet had on November 25 already granted its approval in principle to the proposal, which will see IWK merge with SSD under a newly-formed private entity called the National Sewerage Company (Nascom).

The merger will effectively see the SSD dissolved and its employees absorbed into Nascom or opt for early retirement, forcing them to lose their positions in government service, claimed the source.

"Also, as they are mostly technical staff employed under 'closed service' contracts with the government, they cannot be transferred to other government agencies such as JKR (Public Works Department)," the source said.

The Malaysian Insider understands that apart from implications to their career, the employees are also railing against the move as it would eliminate any checks and balances in the country's sewerage management.

In a memorandum signed by 111 employees to Prime Minister Datuk Seri Najib Razak on November 16, the group lamented that the restructuring proposal had been decided on unilaterally without their knowledge.

"We would like to express our regret that the ministry had quietly forwarded a working paper for the Cabinet's perusal on plans to dissolve the SSD whereby all department employees would be forced to enter a new entity formed for the merger with IWK.

"For Datuk Seri's information, if the SSD is dissolved the government would lose a department that has been serving as a check and balance in the handling of the country's sewerage projects," they said in the memorandum.

The ministry source said the employees are also angry with SSD's "top guns", whom he alleged have been promised top-level posts in Nascom.

He said the merger would not only spell a government bailout of IWK, but would also see a further RM200 million pumped into Nascom.

"IWK asked to freeze the Sewerage Services Trust Fund so the money can be used to kick off its operations under Nascom," he claimed.

"The fund is actually taxpayers' money. Before they obtain their building CFs (certificate of fitness), developers are expected to pay one per cent of the project's selling price to the SSD as sewerage capital contribution," he explained.

Last month, the Finance Ministry admitted it had spent RM1.2 billion to sustain IWK's operations since nationalising the national sewerage company in 2000. It said in a reply to a parliamentary question from Anthony Loke (DAP-Rasah) that IWK has liabilities amounting to RM2 billion, while its assets were valued at about RM1.2 billion.

The ministry had also confirmed plans by the ministry to restructure the sewerage industry, review sewerage tariffs and guarantee future capital expenditure.

Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah had said on September 10 that IWK would be merged with a government unit, confirming an earlier report by The Malaysian Insider.

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