

Bonus bonanza at GLCs despite losses, says Auditor-General report
The Malaysian Insider
October 24, 2011
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KUALA LUMPUR, Oct 24 — Indah Water Konsortium (IWK) and Syarikat Prasarana Negara Bhd were among six government-linked companies (GLCs) that paid employees up to two months' bonus despite suffering an accumulated RM354.91 million in losses in 2009, the Auditor-General's report said today.

The report also said that sovereign wealth fund Khazanah Nasional was among ten government companies that have not paid Putrajaya any dividends despite making net profits in 2009.

IWK, which suffered losses amounting to RM33.35 million in 2009, made between one-and-a-half to two months' bonus payments to its staff during the year.

Prasarana, which lost RM188.03 million in the same year, gave out one-and-a-half months' bonus to its staff.

Companies such as Halal Development Corporation Sdn Bhd (HIDC), Keretapi Tanah Melayu Bhd (KTMB), and Mimos Bhd recorded RM14.57 million, RM92.59 million and RM5.3 million losses respectively in 2009. These companies paid out two to three months' worth of bonuses to staff.

"Among the justification for approval for bonus payments are to lessen the financial burden of employees... higher KPI (key performance index) standards which reaches desired targets and companies which are not profit-oriented," said the report.

The report also found that 10 GLCs have not made paid Putrajaya any form of dividends despite making profits last year.

It also said two companies — Malaysian Biotechnology Corporation Sdn Bhd (BiotechCorp) and UDA Holdings Bhd — recorded after-tax profits for three years in a row, but have not paid any dividends to the government or stated reasons for not doing so.

Eight other companies — Pembinaan BLT Sdn Bhd, Water Asset Management Company (PAAB), Hotel Seri Malaysia network chain (RHSM), Sarawak Hidro Sdn Bhd, Sepang International Circuit Sdn Bhd, Cyberview Sdn Bhd, Khazanah Nasional Bhd and Multimedia Development Corporation Sdn Bhd — also did not pay dividends to the government despite being profitable in 2009.

"The Auditor-General is of the view that to ensure the best form of administration, all companies need to have a dividend policy which is fitted in the company's corporate plans.

"This is needed to safeguard the company's image and the interest of the government which has investments in these companies," the report said.

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