

PAC to haul up seven ministries, agencies for weak finances

The Malaysian Insider

October 24, 2011

By Yow Hong Chieh

KUALA LUMPUR, Oct 24 — The Public Accounts Committee (PAC) will probe seven ministries and agencies for weak financial management.

They are the Health Ministry; Science, Technology and Innovation Ministry; Energy, Green Technology and Water Ministry; Transport Ministry; Internal Revenue Board; Customs Department and the Malaysia Stadiums Corporation.

"These are the seven... recommended in the Auditor-General's Report but we will decide next week if we will increase the number," PAC chairman Datuk Seri Azmi Khalid told reporters after the Auditor-General briefed the committee.

Also present was Auditor-General Tan Sri Ambrin Buang and other PAC members.

But Azmi stressed that federal ministries and agencies had shown improvement in managing their finances, with 43 scoring the highest four-star rating.

Sixty ministries and agencies also scored three stars, while only two received two-star ratings.

"Not one... received a (single) red-star which indicates (a performance of) below 49 per cent," Azmi said.

He added that, out of the 172 cases of weak financial management highlighted in the 2008 Auditor-General's Report, 98 per cent had been resolved, while 88 per cent of those highlighted in 2009 had been dealt with.

Nine federal ministries and departments overspent last year's overall operational allocation by a total of RM3.73 billion, according to the 2010 Auditor-General's Report released today.

They include the Education Ministry, Health Ministry, Home Ministry, Agriculture and Agro-Based Industry Ministry, Public Service Department, Attorney-General's Department, the Malaysian Anti-Corruption Commission and the Public Services Commission.

The report stated that the overspending was unavoidable due to additional activities and unscheduled payments.

"According to financial rules, an expenditure can only be carried out if the approved financial allocation was enough. The audit checks found that this rule was not fully abided by several ministries who have overspent beyond what has been allocated.

"This shows that there is still weakness in the planning and management of expenditures even though this issue has been frequently raised," said the report.

The report also found 75 cases of over-expenditure in 14 different ministries in terms of service payments and supplies amounting to RM306.01 million.

There were also 17 cases within eight ministries last year where a total of RM98.8 million in

allocations went unspent.

The Malaysian Insider

Copyright © 2011 The Malaysian Insider

Source:

<http://www.themalaysianinsider.com/malaysia/article/pac-to-haul-up-seven-ministries-agencies-for-weak-finances/>