

Penyampai : TAN SRI DATO SERI AHMAD SARJI BIN ABDUL HAMID
Tajuk : THE MALAYSIA INCORPORATED DIALOGUE WITH THE MALAYSIA REGIONAL
PROGRAMME MEMBERS
Lokasi : THE RENAISSANCE HOTEL, KUALA LUMPUR
Tarikh : 27-06-1996

1. This morning's dialogue between senior officials of the Malaysian Government and representatives of the corporate sector is very much in keeping with our efforts to continuously strengthen the public- private sector working relationship. The Malaysia Regional Programme dialogue is now an annual feature and has proven to be an effective forum for both sides to exchange views and keep abreast of the many developments that concern us.

2. For my part, the dialogue offers me the opportunity to apprise you of the latest administrative measures which the Government has undertaken that undoubtedly will have an impact on your dealings with the public sector. At the same time it affords me and the other senior officials the benefit of listening to your views on issues that are of concern to you and which relate to government policy and programmes. Feedback from you on the many issues raised in previous dialogue sessions have always been given due consideration by officials from the various Government agencies.

Wherever possible such feedback has been utilised as useful input in improving existing policies and their implementation.

THE SEVENTH MALAYSIA PLAN

3. As you are aware, the Government recently unveiled its development strategies for the next five years under the Seventh Malaysia Plan. As stated by the Rt. Hon. Prime Minister, Dato Seri Dr. Mahathir bin Mohamad , Malaysia's primary challenge under the Plan will be to transform the economy from one that is investment-driven to one that is productivity-and-quality-driven through enhancing the efficiency of labour and capital, skills upgrading, capital deepening and improving management and entrepreneurship.' While we continue to emphasise high economic growth under the Plan, we will also ensure that environmental and social considerations are not neglected. This is in line with the philosophy of balanced development that is espoused by the National Development Policy. Given that the Plan will now focus on productivity-driven growth, we will take appropriate measures to enhance the country's capability to adopt, adapt and improve imported technology, while promoting indigenous technology development. The private sector will of course continue to play a pivotal role in helping the Government realise the objectives of the Plan . In this context you may wish to know more about the basic thrusts of the Seventh Plan. This morning we have Y. Bhg . Dato' Annuar bin Maarof, Deputy Director-General (Macro) of the Economic Planning Unit to present to you some of the highlights or salient features of the Plan.

ADMINISTRATIVE REFORM PROGRAMMES

4. I have, in previous dialogue sessions, enumerated the many administrative reforms that the Government has embarked upon. These reforms have had a positive impact on the ability of the public sector to service the operations and the needs of the private sector more effectively. For the benefit of first time members of this dialogue, allow me to state some of the administrative measures that have been put in place:

(a) Strengthening the Public-Private Sector Working Relationship.

5. In enhancing the working relationship between the two sectors under the Malaysia Incorporated concept, the public sector has taken the lead in establishing structural mechanisms so as to promote greater consultation and cooperation. This involves the establishment of Consultative Panels ranging from the Panel at the highest level like the Malaysia Incorporated Officials' Committee, which I chair, to those at the Ministries and Departments at the Federal, State and District levels. In addition to these formal mechanisms, we have been holding regular dialogue sessions with members of the private sector as a further measure to strengthen working ties between both sectors. This morning's session is a case in

point. Further to these measures, both the public and private sectors are encouraged to undertake jointly organised activities. These have included seminars, training and overseas trade missions as well as informal activities such as sports and social events.

(b) Improving the Quality of Services

6. The public sector has continuously assessed its performance through internal reviews of its administrative systems, rules, regulations and procedures. The main objective of such assessment is to reduce bureaucratic red tape. A number of initiatives resulting from such an assessment include:
Streamlining Rules and Regulations

7. A major task undertaken by the public sector has been the streamlining of rules and regulations to facilitate the private sector's role in economic development. In this context, the focus has been on simplifying and abolishing procedures and regulations that hinder the private sector from operating smoothly. This exercise has resulted in the following improvements: . The abolishment of obsolete licences, permits, rules and regulations; . The introduction of composite application forms and composite licences; . The extension of the validity period of some licences; . Improved systems and procedures for licensing; and . The establishment of one-stop centres.

8. Having introduced the improvements cited above under the first phase, we continued to monitor the problems encountered by the private sector in their dealings with Government agencies to obtain licences, approvals and permits under Phase Two of the Study on Licensing and Permit Pertaining To Business and Investment. The study focused on five key sectors, namely the manufacturing, distributive trade, hotel and tourism, housing and transportation sectors. The application process for expatriate posts and employment passes as well as the establishment of Centres of Investment and One-Stop Licensing Centres were also examined under the study. As a result of the findings of the study, recommendations to further improve and streamline procedures and processes involving public-private sector transactions in these sectors are being implemented by the respective agencies. As part of the on-going effort to systematically improve public sector services, we have embarked on the third phase of the study where the focus is on Government agencies that deal constantly with the public, especially investors and traders. These agencies include, among others, local government authorities, the Office of the Registrar of Businesses, the Office of the Registrar of Companies and the Immigration Department.

Upgrading Counter Services

9. Given that the government is often evaluated by the quality of counter services, the focus of administrative reforms in this area has been to emphasise the provision of timely and efficient counter services. The upgrading of counter services is reflected through the following: . Improvements in the filing and documentation systems and correspondence procedures; . The introduction of more one-stop centres for the payment of bills and processing of licences; and . Improvements in the operations of Investment Coordination Centres at the state levels to further facilitate investors. The aim is to increase the capacity of the relevant authorities to cater to the increased volume of applications.

Client's Charter

10. Another reform measure undertaken is the implementation of the client's charter. The client's charter represents a written commitment by government agencies to their customers that the delivery of their services will comply with the declared standards of quality, in conformance with the customers' expectations. The implementation of the charter provides an avenue for the private sector to evaluate the performance of government agencies in the course of their dealings with such agencies. Provisions have also been put in place to deal with the eventuality of any shortfall in service delivery as pledged by the agency. Such a shortfall, detected either by way of internal reviews or through private sector feedback, will be redressed by a Service Recovery Mechanism that details a series of actions aimed at restoring customer satisfaction. To date a total of 390 Government agencies have drawn up client charters, thereby committing themselves to quality service delivery.

A Paperless Civil Service

11. The public sector has embarked on a conscious effort to reduce the use of paper-based documents in its operations. Such an effort increases the effectiveness of the delivery of services by public sector agencies while also acting as a cost effective measure. Action to reduce the use of paper include: . Reducing the number of forms required for a particular application; . Reducing the number of supporting documentation related to a particular application; . Introducing appropriate information technologies that can reduce paperwork as well as expedite transactions. A major development along this path has been the implementation of two facilities namely the Electronic Data Interchange (EDI) and the Public Services Network (PSN). The EDI is an electronic data interchange system that enables the business community to transmit business documents via computer. This has proven to be very beneficial for those dealing with approving authorities like the Royal Customs and Excise Department and the Ministry of International Trade and Industry. The PSN on the other hand enables Government departments to offer their services on-line to the public using the computer and network facilities of post offices. This facility will be expanded to cover up to 500 post offices nationwide for the convenience of the public and especially the private sector.

12. We will continue to review, on an on-going basis, various application forms currently in use in public-private sector transactions so as to ensure that information sought in such forms are relevant and necessary for decision making. Such a rationalisation process will contribute greatly towards the creation of a paperless civil service.

(c) Information Sharing and Dissemination

13. In response to the frequent complaints of the private sector about the difficulty in accessing relevant information from public sector agencies, we undertook the following: . Publishing a book entitled 'Dealing With The Malaysian Civil Service' in 1993; . Introducing the Civil Service Link (CSL) in 1994 to provide more efficient and fast retrieval of Government information. The CSL is a central database that provides the following: . Profiles of Government agencies; . Rules and regulations relating to various incentives and license issuance; . Transcripts of selected laws including acts on taxation, business and trade; . Information from reports published by government agencies that provide direct services to the private sector; . Latest tender advertisements issued by Government agencies; and . Information on import and export duties and sales tax contained in the Official Customs and Excise Trade Classification Book.

Other Databases

14. Many other agencies are developing databases that are being made available to the private sector.

These include the Palm Oil Information On-Line System (PALMOILIS), the South-South Investment, Trade and Technology Data Exchange Centre (SITTDEC), the Malaysian Science and Technology Information Centre and the SIRIMLINK . I am sure these are very useful sources of information for the relevant private sector corporations.

GITN

15. The tremendous and rapid developments in the field of information technology and telecommunication systems clearly signal the need for the public sector to undertake more sophisticated methods of service delivery. A major initiative of the Government in this area is the establishment of a comprehensive telecommunications infrastructure known as the Government Integrated Telecommunications Network (GITN). When fully operational, the GITN with its capability to electronically link all levels of administration in the Government, will be the backbone of an efficient and effective Government machinery. The GITN will provide services such as video conferencing , electronic mail, telemedicine , workflow automation and workgroup applications. It is envisaged that the GITN will function as the information channel for the dissemination of information on investment opportunities and industrial development in the country. The GITN initiative will take off with the launching of a number of pilot projects very soon.

Internet

16. In addition to these developments, more and more Government agencies are taking advantage of the exposure afforded by the Internet by developing their respective homepages . In 1995, a total of 20 agencies listed their homepages on the Internet while another 50 agencies are in the process of doing so.

ISO 9000

17. Finally, I wish to talk about the latest initiative by the Malaysian administration to place the public sector at the highest level in terms of quality management. All our efforts in upgrading the public sector have been in keeping with the principles of the Total Quality Management (TQM) movement and have succeeded in attaining the following: . A public service structure and personnel system that is flexible and responsive; . A public service management system that has imbibed the quality culture and is customer-focussed; . A public service delivery system that is efficient and effective; and . A public service that is accountable and more transparent

18. Given the success of our efforts thus far, I am confident that a strong foundation has been laid for the Malaysian public sector to move a notch higher by adopting the ISO 9000 series of standards for quality management and assurance developed by the International Organisation for Standardisation.

Towards this end, we have envisaged a schedule whereby the whole of the Malaysian Civil Service would have adopted the ISO 9000 standard by the end of the year 2000. In ensuring that we achieve this target, a number of critical steps will be given emphasis as follows:

- . The necessary administrative structure is established for its implementation;
- . Adequate training on the ISO 9000 standard is provided to all employees to enable them to fulfill the requirements of the standard;
- . Every agency develops an action plan that ensures that the ISO 9000 standard is implemented by the end of the year 2000;
- . And, most importantly, we will ensure that top management of every agency develops a thorough understanding of the requirements of the ISO 9000 standard. In this context, we hope to work with corporate managers and management consultants in the field who have had experience with the implementation of standards developed by the International Organisation for Standardisation in their respective organisations. The exchange of information relating to different approaches in implementing such standards will prove invaluable to both public and private sector managers.

19. As I have said earlier, the necessary ingredients are already in place for the full scale adoption of the ISO 9000 standard and I am confident that the Malaysian Civil Service is equal to this massive task . The adoption of the ISO 9000 standard by the end of the year 2000 will be ground breaking as Malaysia will be the first country that would have applied the standard on a service wide basis as opposed to other public services where the standard has been adopted on a limited agency level scale. The adoption of the standard by the Malaysian Civil Service augurs well for the private sector as it means that the services and products provided by its agencies will meet, if not exceed the private sector's needs and expectations.

CONCLUSION

20. I am happy to note that the response from the private sector to improve the Civil Service has been very encouraging. The active participation of the private sector in the many consultative panels and dialogue sessions is proof of this. I hope that our discussion of the many issues on our agenda for today will be of mutual benefit.