

A BILL

intituled

An Act to amend the National Productivity Council
(Incorporation) Act 1966.

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BE IT ENACTED by the Duli Yang Maha Mulia Sen Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the National Productivity Council (Incorporation) (Amendment) Act 1990 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.

Short title and commencement.

2. (1) The National Productivity Council (Incorporation) Act 1966 may, upon the coming into force of this Act, be cited as the National Productivity Corporation (Incorporation) Act. 1966.

General amendments and construction of references to the National Productivity Council (Incorporation) Act 1966. Act 408.

(2) The National Productivity Council (Incorporation) Act 1966, which in this Act is referred to as "the principal Act", is amended by substituting for the words "National Productivity Council" or "the Council" wherever they appear the words "National Productivity Corporation" or "the Corporation" respectively.

(3) The "Director of the Centre" appointed under section 5 of the principal Act shall, after the commencement of this Act, be known as "the Director General" and all references in any written law to "the Director" or "the Director of the Centre" shall be construed accordingly.

(4) The change of names provided by subsections (1) and (2) shall not affect any rights or obligations of the Council or render defective any legal proceedings by or against it; and any legal proceedings that could have been continued or commenced by or against it prior to the commencement of this Act may be continued or commenced under its new name.

Amendment
of section 2.

3. The principal Act is amended by substituting for section 2 the following:

"Interpre-
tation.

2. In this Act, unless the context otherwise requires—

" 'Corporation " means the National Productivity Corporation established under section 3 (1);

"Director General" means the executive officer appointed under section 5 (1);

"Minister" means the Minister charged with the responsibility for industrial development."

Amendment
of section 3.

4. Section 3 of the principal Act is amended—

(a) by inserting, immediately after the words "Ministry of Trade and Industry" in paragraph (c) of subsection (3), the words "who shall be the Deputy Chairman";

(b) by substituting for paragraph (i) of subsection (3) the following:

"(i) at least three but not more than seven representatives from the private sector;"

(c) by inserting, immediately after paragraph (i) of subsection (3), the following new paragraphs (j) and (k):

"(j) a representative from the association of employers; and

(k) a representative from any association representing employees.";

(d) by substituting for subsection (5) the following:

"(5) The members mentioned in subsection (3) may elect from amongst themselves a temporary Chairman to preside over any meetings of the Corporation during the temporary incapacity from illness, or temporary absence from Malaysia, of the Chairman and Deputy Chairman.";

(e) by inserting, immediately after the words "for such period" in subsection (6), the words "not exceeding three years";

(f) by deleting the proviso to subsection (6); and

(g) by substituting for the colon appearing at the end of subsection (6) a full stop.

5. The principal Act is amended by inserting, immediately after section 3, the following new section 3A:

"Alternate members. 3A. (1) The Minister shall, in respect of each member of the Corporation specified in section 3 (3) (c) to (g), appoint one person from the same Ministry or department as that member to be an alternate member to attend, in place of the member, meetings of the Corporation that the member is for any reason unable to attend.

(2) When attending meetings of the Corporation, an alternate member shall for all purposes be deemed to be a member of the Corporation.

(3) An alternate member shall, unless he sooner resigns his membership, or his appointment is sooner revoked, cease to be an alternate member when the member for whom he is an alternate member ceases to be a member."

Amendment
of section 5.

6. Section 5 of the principal Act is amended—

(a) by substituting for subsection (1) and the marginal note to section 5 the following;

"Appoint-
ment of
Board of
Management
and other
officers.

5. (1) The Corporation—

(a) shall, with the approval of the Minister, appoint an executive officer who shall be the Director General;

(b) may appoint such other officers as may be necessary on such terms and conditions as it thinks fit,

to the Board of Management which shall be responsible for the day to day administration and management of the affairs of the Corporation and which shall perform such duties and exercise such powers as may be delegated to it by the Corporation.";

(b) by inserting, immediately after subsection (1), the following new subsection (1A):

"(1A) The Corporation may appoint, on such terms and conditions as it thinks fit, such other officers and servants as it may consider necessary for carrying out the purposes of this Act.";

(c) by substituting for the full stop at the end of paragraph (d) of subsection (2) a semicolon; and

(d) by inserting, immediately after paragraph (d) of subsection (2), the following new paragraph (e):

"(e) for the discipline of the officers and servants which may include—

(i) provisions for the interdiction with reduction in salary or in other remuneration, or for the

suspension without salary or other remuneration, of an officer or servant during the pendency of disciplinary proceedings;

- (ii) the creating of such disciplinary offences and providing for such disciplinary punishments as the Corporation may deem appropriate, and the punishments so provided may extend to dismissal or reduction in rank; and
- (iii) the procedure for disciplinary proceedings, which should provide an opportunity for representations to be made by an officer or servant against whom disciplinary proceedings are taken before a decision is arrived at by the disciplinary authority on the disciplinary charge to be laid against such officer or servant."

7. The principal Act is amended by inserting, immediately after section 5, the following new sections 5A and 5B:

New sections
5A and 5B.

"Discipline of officers and servants. 5A. (1) There shall be a Disciplinary Committee of the Corporation which shall consist of—

- (a) two members to be elected by and from the members of the Corporation, one of whom shall be elected chairman; and
- (b) the Director General appointed under section 5 (1).

(2) The disciplinary authority in respect of every officer and servant of the Corporation other than the Director General shall be the Disciplinary Committee of the Corporation established under subsection (1).

(3) The Disciplinary Committee in respect of the Director General shall consist of the Chairman of the Corporation as chairman and two members to be elected by and from the members of the Corporation.

(4) The Director General shall not be a member of the Disciplinary Committee in any proceedings before it in which he is the complainant; his place shall be taken by a member to be elected by and from the members of the Corporation.

(5) In the exercise of its disciplinary functions, the Disciplinary Committee shall have the power to impose such disciplinary punishment as may be provided for under any rules that may be made under section 5.

(6) The Disciplinary Committee may, subject to subsection (7), delegate any of its disciplinary functions, powers or duties to any committee of officers or servants of the Corporation, in respect of any particular officer or servant of the Corporation, or in respect of any class or category of officers or servants of the Corporation, and the committee delegated with such functions, powers or duties shall carry out, exercise or discharge them under the direction and control of the Disciplinary Committee which shall have the power to review, rescind or vary any decision or finding of such committee.

(7) No delegation shall be made under subsection (6) so as to enable an officer or servant of the Corporation to be a member of

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a committee which may exercise any disciplinary authority over an officer or servant who is superior to him in rank.

(8) Any officer or servant of the Corporation who is dissatisfied with the decision of the Disciplinary Committee or of any committee delegated with functions, powers or duties under subsection (6) may, within fourteen days, appeal in writing against such decision to the Corporation which may thereupon affirm, reverse or give such directions on the matter as it deems fit and proper.

(9) The decision of the Corporation upon such appeal shall be final.

Corporation may appoint committees. 5B. (1) The Corporation may appoint committees for any purpose arising out of or connected with any of its powers, duties and functions under this Act; any committee so appointed shall include not less than one member of the Corporation and there may be appointed to such committee such other persons as the Corporation may think fit.

(2) The committee so appointed shall regulate its own procedure.

(3) Any committee so appointed shall conform to any instructions from time to time given to it by the Corporation, and the Corporation may at any time discontinue or alter the constitution of any committee so appointed.

(4) There may be paid to members of any committee such remuneration or allowances as the Corporation may from time to time determine with the approval of the Minister.

(5) The committee may invite any person who, in its opinion, is possessed of special knowledge of advantage to it, to attend any meeting of the committee and the person so invited shall not be entitled to vote at any such meeting.

(6) The committee shall report its recommendations to the Corporation."

Amendment
of section 7.

8. The principal Act is amended by substituting for section 7 the following:

"Functions
of the Cor-
poration.

7. The functions of the Corporation shall be—

- (a) to lead in the promotion and dissemination of productivity related information and issues;
- (b) to establish an information and reference centre for productivity indices for the country and for management systems and case studies;
- (c) to generate local expertise in the field of productivity, quality, management and entrepreneurship;
- (d) to enhance the development of human resources both at the supervisory and management levels in the country;
- (e) to advise on and coordinate the implementation of programmes and activities related to productivity and quality;
- (f) to assess and certify supervisory and management training programmes, entrepreneurship programmes, and productivity and quality management programmes conducted by the private sector for the public;

- (g) to conduct training or other programmes relating to productivity, quality, management and entrepreneurship;
- (h) to provide consultancy services relating to productivity, quality, management and entrepreneurship;
- (i) to collect, produce and publish information on productivity, quality, management, entrepreneurship and other related subject-matters;
- (j) to carry on business undertakings for the purpose of the discharge of its functions under this Act with the approval of the Minister;
- (k) to report annually to the Minister on the progress and problems of raising productivity in commerce and industry in the country and to make recommendations on the manner in which such problems may be dealt with; and
- (l) to do all such matters and things as may be incidental to or consequential upon the discharge of its functions under this Act."

9. The principal Act is amended by inserting, immediately after section 7, the following new sections 7A and 7B:

New sections 7A and 7B.

"Power to employ agents.

7A. The Corporation may employ and pay agents and technical advisers, including advocates and solicitors, bankers or other persons, to transact any business or to do any act required to be transacted or done in the execution of its duties or for the better carrying into effect of the purposes of this Act.

Consul-
tative
panels.

7B. (1) The Minister may from time to time establish one or more consultative panels.

(2) It shall be the function of a consultative panel established under subsection (1) to advise the Corporation on any matters referred to it by the Corporation relating to the functions of the Corporation.

(3) A consultative panel established under subsection (1) shall consist of—

- (a) at least three but not more than seven members from the public sector;
- (b) at least three but not more than ten members from the private sector;
- (c) at least one but not more than five members from institutions of higher learning; and
- (d) at least one but not more than five members from associations representing employees.

(4) The Minister may, in addition to the members specified in subsection (3), appoint any other member or members from amongst persons who are possessed of special knowledge in specified fields."

Amendment
of section 9.

10. Section 9 of the principal Act is amended—

- (a) by inserting, immediately after the word "fees", a comma and the words "commissions or any other consideration"; and
- (b) by substituting for the words "the Centre" the word "it".

Amendment
of section
10.

11. Section 10 of the principal Act is amended—

- (a) by substituting for the word "Centre" in subsection (1) the word "Corporation"; and

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(b) by deleting the words "or to the Centre" in paragraph (h) of subsection (2).

12. Section 14 of the principal Act is amended by substituting for the word "Centre" in subsection (1) the word "Corporation".

Amendment
of section
14.

13. The principal Act is amended by inserting, immediately after section 14, the following new section 14A.

New
section
14A.

14A. The Statutory Bodies (Accounts and Annual Reports) Act 1980 shall apply to the Corporation.".

"Statutory
Bodies
(Accounts
and Annual
Reports)
Act 1980
to apply.
Act 240.

14, Section 17 of the principal Act is amended—

Amendment
of section
17.

- (a) by inserting, immediately after the word "members" in subsection (1), a comma and the words "officers and servants";
- (b) by deleting the words "and officers and servants of the Centre," in subsection (1);
- (c) by inserting, immediately after the word "member" in subsection (2), the words "or officer or servant"; and
- (d) by deleting the words ", or officer or servant of the Centre" in subsection (2).

EXPLANATORY STATEMENT

This Bill seeks to amend the National Productivity Council (Incorporation) Act 1966.

2. *Clause 2* seeks to change the name of the National Productivity Council established under section 3 of the Act to the "National Productivity Corporation". The Director of the Centre appointed under section 5 is now known as the "Director General". All references to the "Council" and the "Director" in any written law will therefore have to be construed accordingly.

3. *Clause 3* seeks to amend section 2 of the Act in line with the change of names.
4. *Clause 4* seeks to amend section 3 as regards the membership of the Corporation.
5. *Clause 5* introduces a new section 3A to provide for the appointment of alternate members.
6. *Clause 6* seeks to amend section 5 of the Act to provide for the appointment of the Director General as well as other officers to the Board of Management which would be responsible for the day to day administration of the affairs of the Corporation. The Corporation is also empowered to appoint other officers for carrying out the purposes of the Act. *Clause 6 (d)* empowers the Corporation to make rules for the discipline of its officers and servants.
7. *Clause 7* seeks to introduce two new sections, namely, sections 5A and 5B. The new section 5A establishes a Disciplinary Committee, prescribes its composition and sets out its jurisdiction and powers. The decisions of the Disciplinary Committee are appealable to the Corporation. The new section 5B enables the Corporation to appoint committees to assist it in carrying out its functions.
8. The National Productivity Centre is abolished vide amendments to section 7 of the Act as provided in *clause 8*. The Centre's functions are redefined and taken over by the Corporation.
9. *Clause 9* introduces two new sections to the Act. Section 7A empowers the Corporation to employ agents and technical advisers to act on behalf of the Corporation. Section 7B empowers the Minister to establish consultative panels and sets out the functions and composition of such panels.
10. *Clause 10* seeks to amend section 9 of the Act to empower the Corporation to receive commissions as well as non-monetary consideration for services provided by it.
11. *Clause 13* introduces a new section 14A to provide that the Statutory Bodies (Accounts and Annual Reports) Act 1980 shall apply to the Corporation.
12. Other proposed amendments to the Act which have not been specifically referred to are consequential or minor in nature.

FINANCIAL IMPLICATIONS

This Bill will involve the Government in extra expenditure, the amount of which cannot at present be ascertained. [PN. (U) 1564.]