

**PUBLIC ACCOUNTS COMMITTEE REPORT ON THE MANAGEMENT
OF ENFORCEMENT ACTIVITIES OF THE ROAD TRANSPORT
DEPARTMENT (JPJ)
MINISTRY OF TRANSPORT**

1. INTRODUCTION

Tabling of the 2013 Auditor General's Report (Series 2) in the House of Representative on June 16, 2014 has revealed some matters relating to the enforcement activities of the Jabatan Pengangkutan Jalan (Road Transport Department) or JPJ.

JPJ under the Ministry of Transport is responsible for enforcing the laws and regulations related to road transport in order to manage matters related with efficient, safe and in accordance with the rules and regulations. The JPJ Enforcement Division is the division responsible for ensuring the provision of road transport laws are implemented with integrity and abide by road users to create a safe road environment.

In addition, PAC also discussed issues on matters related to mySIKAP, Automatic Enforcement System (AES) and management of Tender plate number and as reported in social media.

2. THE OBJECTIVE OF THE PUBLIC ACCOUNTS COMMITTEE MEETING

The Public Accounts Committee has discussed the issue of enforcement activities conducted by JPJ that have been raised in the Auditor 2013 General's Report (Series 2). In accordance with the mandate given under Article 77 of the Standing Order of the House of Representatives and Article 304 (a) Treasury Instructions (Amendment 2008), the Committee has made an examination of this matter with a view to:

- i. Ensure the implementation of enforcement activities are in line with the objectives set;
 - ii. No wastage and leakages occur in the implementation of the enforcement activities; and
111. To ensure that enforcement is carried out in compliance with the laws, rules and regulations that have been established.

3. SCOPE AND METHODOLOGY

Discussions have been made through the following approaches:

- i. to invite the National General Department to clarify the issues raised;
- ii. to call the relevant parties involved, particularly the Ministry of Transport and Road Transport Department to explain the responses and the action taken; and
- iii. to invite representatives of federal agencies such as the Ministry of Finance; Accountant General's Department; Public Service Department

and the Economic Planning Unit to attend together.

4. LIMITATIONS OF THE PUBLIC ACCOUNTS COMMITTEE

No limitations identified.

5. BACKGROUND OF THE MANAGEMENT ACTIVITY OF THE ROAD TRANSPORT DEPARTMENT (JPJ)

Key jurisdictions adopted by enforcement personnel in the execution of JPJ enforcement activities are guided by the Road Transport Act 1987 (APJ 1987) and the Commercial Vehicles Licensing Board Act 1987 (ALPKP 1987) and methods established under both the Act, the Land Public Transport Act 2010 (APAD 2010) as well as other acts related to road transport.

The objective of the enforcement division is as follows:

- i. ensure drivers and vehicles used in compliance with the relevant laws;
- ii. improving road safety through regulatory monitoring of drivers, motor vehicles and other road users; and
- iii. creating a more responsible attitude among commercial vehicle operators.

6. THE DISCUSSION AND FINDINGS OF THE PUBLIC ACCOUNTS COMMITTEE

The outcome of the discussion session commence with early briefing on related issues by Auditor General Department to the Public Accounts Committee. Furthermore, the parties involved in the issue raised,

particularly the Ministry of Transport, represented by the Datuk Ruhaizah binti Mohamed Rashid, who is the Deputy Secretary (Planning) Ministry of Transport and Dato' Ismail bin Ahmad, Director General of JPJ was called to give clarification. Among the matters discussed in general are summarized as follows:

6.1. Early testimony by The Auditor General Department

The Auditor General Department has informed the outcome of the audit regarding the management of the Road Transport Department enforcement activities on the following matters:

6.1.1 The audit scope carried out taking into account the period of 2011 to 2013 involving Daily Operation, Integrated Operation, Motorcycle Operations, Director Operation, Bus Terminal Station Operation, Enforcement Station, and Overloaded Operation and Festive Season Operation. Auditing has been conducted by the Enforcement Division from Putrajaya, Kelantan, Selangor, Sabah, Perak and Selangor.

6.1.2 Among the issues discussed:

a. Achievement of Key Performance Indicators (KPI)

Three out of five States visited were Selangor, Sabah and the Federal Territory of Kuala Lumpur which has reached the KPI set for operation while Kelantan and Perak did not achieve the overall KPI.

b. Limited authority for offences Under the Land Public Transport Act 2010

No summonses were issued directly / indirectly regarding overloaded cargo-related offences since the enforcement of the APAD 2010 in Peninsula since 2010 due to the provision of the APAD 2010 has set the need to provide the IP investigation paper before obtaining written consent from the Public Prosecutor for prosecution and compounding.

For overloaded offenses in Sabah, Sarawak and the Federal Territory of Labuan, summons can be issued directly without having to obtain the consent of the Public Prosecutor. It shows the different methods of enforcement for the overloaded offense by APAD 2010.

c. Delay in completing investigation paper

A total of 312 (14.7%) of 2,120 investigation papers was opened and able to be completed in the period of 2011 until July 2013. A total of 112 investigation papers were ready to be submitted to the Land Public Transport Commission (SPAD) for further action. In the case where an owner refuses to attend interrogation (temu siasat), an investigation paper with proof of the owner's refusal to attend for interrogation (temu siasat) was sent to SPAD for further action. Under APAD 2010, JPJ officer has no authority to blacklist an owner who did not attend for interrogation (temu siasat).

d.Enforcement Against Vehicle That were given of International Circulation Permit (International Circulation Permit (ICP)) is Non-Specified

JPJ officers stationed in Control Station Border (SKS) do not perform enforcement activities as exposed to the risk / safety threat from outsiders driving in and of border in the other hand they only perform their duty which is to issue and revoke ICP and handling the task of managing SKS. Enforcement tasks are carried out by JPJ officer in nearby State / Branch.

Audit authorities were unable to determine specifically the enforcement carried out on foreign vehicles that were given exemption to enter border areas without ICP within 2 km. There is a risk the vehicle is moving beyond the permitted range, carrying more load, no indication on vehicle's body, and the driver does not have the license required by the laws of Malaysia.

e. Reports / Enforcement Operations Records are no maintained or incomplete

Records for 6 operations (Overloaded, Bus Terminal, Integrated, Motorcycles, Commercial Director and festive) not maintained / Incomplete.

f. Setting up of office without Personnel Warrants

A total of 9 Enforcement Station (SPK) and 4 SKS set up are without personnel warrant. Further Audit review found no evidence that JPJ request for staff from Public Service Department for that office.

g. Office not set up even though there is personnel warrant.

Three Branch Office (PK) in Perak, four SPK in Selangor and one SPK in Sabah, involving 168 personnel that have been approved through the personnel warrant No. K73 / 2012 have not yet been set up. For PK Parit Buntar, Slim River and Selama, office was not established because there was no financial provision and land. For SPK Kajang Seremban (LEKAS) (North) and (LEKAS) (South), office buildings are still yet to be constructed by highway concessionaires. For the SPK Klang Selatan (SKVE) (East) and (West), office buildings have been constructed by highway concessionaire but yet to be handed to JPJ. For SPK Kota Marudu, no office building has been constructed.

h. Electricity supply to SPK Segama, Lahad Datu, Sabah

Visit by Audit on August 20, 2013 has found that this office has yet to be supplied with electrical supply line. The existing electricity supply is obtained entirely from the generator set, which started operations in 1995 and petrol supplies from Lahad Datu at a distance of 36 km.

A generator unit was supplied in 1995 but was damage in December 2007. One used generator unit from Sabah JPJ has been supplied in January 2008 which frequently suffers damage and cause frequent power supply disconnected and the weighing process cannot be

implemented.

i.Maintenance of Exit road SPK Telipok, Tuaran, Sabah

Visit by Audit on August 22, 2013 has found out that the exit route at Telipok Station has been damaged due to flood. It has caused vehicles to make a "U" turn and exit through the entrance. This situation has complicated JPJ and motorists because has disrupt the process of vehicle weighing. Request for maintenance to repair reentry and exit route of the Sabah office Enforcement Station to Sabah Public Works Department was submitted on February 15, 2013.

6.2. Remarks by Deputy Chief Secretary (Planning), Ministry of Transport

Datuk Ruhaizah binti Mohd Rashid, Deputy Chief Secretary (Planning), Ministry of Transport has given the statement regarding the management of enforcement activities of Road Transport Department (JPJ) as follows:

6.2.1 JPJ is an agency under the Ministry of Transport to enforce legislation 4 of the Road Transport Act 1987, APAD, LPKP Act and the Road Transport Rules. In addition to the law enforcement agencies, JPJ also plays a role in many registration of vehicle, issuing licenses, ensuring vehicles are safe to be registered and to ensure the national accident index is at par with developed

countries.

6.2.2 Under the provisions of the previous APJ (before APAD), JPJ has the authority to issue summons directly for over-capacity offence, nevertheless after APAD was set up, JPJ must prepare and submit an inquiry to SPAD for action. However, JPJ has to obtain permission from the Attorney General's Office to issue direct summons for this case.

6.2.3 The issue of ICP is currently being reviewed for improvement because it involves cooperation and understanding of two countries, particularly Malaysia and Thailand. Procedure of issuing permit will be refined in order to avoid it being abused.

6.2.4 To strengthen the management of RTD PUSPAKOM and to avoid overlap in authority, the Ministry conducts frequent discussion and meeting from time to time, particularly if there are complaints from the public. PUSPAKOM is the concessionaire under the Ministry of Transport. In addition, PUSPAKOM also constantly is improving equipment and logistics so that the activity can be enhanced.

6.2.5 The rate of fatal road accident in the country is high compared to other countries. In 2013 the rate has reached to 2.9 on the index of fatal accidents. If this rate is not reduced, it is expected by 2020, the country will face at about 10,716 deaths.

6.3 Testimony by the Director General, Road Transport Department

(JPJ)

Dato 'Ismail bin Ahmad Rashid, Director General, Road Transport Department (JPJ) to provide feedback on the management of the JPJ enforcement activities as follows:

6.3.1 to set KPI at all levels, so that there is no gap, JPJ has conducted a joint study with USM to develop comprehensive and standard KPI in 2014. It will be adopted in the future.

6.3.2 Provision stated in APAD has set the need to prepare investigation paper before obtaining written consent from the Public Prosecutor before the prosecution and compounding. Nevertheless, it is not applicable for Sabah and Sarawak. This to show there is no standardization between APAD 2010 and ALPKP 1987 for overloading offences. This has made enforcement efforts difficult for JPJ. Data has shown, APAD enforcement data before 2010, more than 400,000 summonses were issued a year compared to 3,000 to 4,000 summons after APAD 2010.

However, beginning in 2014, JPJ has obtained approval from the Attorney General where the JPJ investigating officer can provide the Investigation Paper and present directly to Deputy Prosecutor without through SPAD.

6.3.3 There are many cases where investigation papers have not been completed due to red tape when APAD 2010 was established. However, after receiving special permission from the Attorney

General, JPJ was able to solve the matter quickly.

6.3.4 Updating the staff authority card by including an authority provision under the Section 81 (1), 82 (1) and 235 (1) APAD 2010 which is expected to be completed end of December 2014.

6.3.5 JPJ has issued SOP for the enforcement of offences under the ICP and has been circulated to all border JPJ States for the purpose of enforcement task.

6.3.6 JPJ is preparing a work process for the registration of overloading offence cases in mySIKAP to ease for reference and review of member. A report based on the new format is expected to be completed before July 2015

6.3.7 JPJ is coordinating the establishment the issue of personnel warrant with JPA. The matter is still under review process, but in Sabah and Sarawak it has been successfully completed while in Peninsular was completed at branch level. The whole process is expected to be completed in 2015.

6.3.8 JPJ has received an allocation of RM100,000 for electricity supply overhaul work in SPK Segama, Lahad Datu, Sabah on 15 May 2014 and the work has been carried out and monitored by JPJ Sabah and is expected to be completed in November 2014.

6.3.9 Sabah JPJ has applied to the Public Works Department to

assess the estimated cost of repairs for the exit route of SPK Telipok on May 3, 2013, but has yet to receive an answer. The request has been made in the 2015 budget totaling RM1 million and was approved at the meeting of the Budget Review in 2015 but was not approved during the tabling in the Parliament.

In addition, JPJ Director General did issue statement regarding to matters as follows:

6.3.10 To improve the quality of new drivers in this country, JPJ has introduced Driving Education Curriculum, launched in September 2014. It focuses on driving competence, skills, integrity, considerate and well behaves while driving.

6.3.11 JPJ has also developed mySIKAP to improve service delivery to the public and more user friendly, which people can renew their licenses, pay taxes and the change of owner name of vehicle purchase / sale of vehicles can be made online.

6.3.12 Development of mySIKAP system implemented by HeiTech Padu Sdn Bhd company at a cost of RM282 million. The mySIKAP system will be replaced by SIKAP system that was used before. It has 21 new initiatives, among others vehicle registration services at stores that sell cars that uses biometric systems.

6.3.13 In addition, eBidding will also be developed to facilitate the process of public bidding of vehicle plate number and make it more transparent. Based on JPJ procedure, each minister in the same ministry, the Chief Minister and the Chief Minister has the right to one quota, while the Prime Minister and Deputy Prime Minister, two quota for a lifetime. While the Yang di-Pertuan Agong, Tuanku and Sultan be given seven quota. No quota has been given to Chief Secretary to the Government (KSN) and Chief Secretary of Ministry (KSU) or any other government official.

At the moment, JPJ does not disclose the names of the winners of the bid for a certain plate number after obtaining the views of the Cabinet. However, if the case is no need to be reviewed, the department will improve its work processes to ensure transparency.

6.3.14 Meeting of the The Economic Council has decided that the management of AES will be taken over by the government or government companies. However, at this time PDRM and JPJ is the agency responsible for the operation of AES system. Police will be responsible for identifying the location and issue summons while JPJ's role in determining the blacklist cases, suspension of license, demerit, cancel licenses and so on.

6.4 Testimony by the Department of Public Service (JPA)

6.4.1 Informing that the action by JPJ to set up an office without a personnel warrant is a wrong practice that is even with the method of "administrative change". There should be a follow up action such as transfer of staff details. This matter is under the attention and action by JPA to make proper adjustment.

6.4.2 There is still a significant overlap of work process between SPAD and JPJ. Nevertheless, this matter is under constant review by JPA in order to transform the department / government agency.

7. SUMMARY BY PUBLIC ACCOUNTS COMMITTEE

7.1. Enforcement activities carried out by JPJ is of satisfactory, but require good coordination between the different agencies, particularly SPAD to avoid overlap of work.

7.2 It is proper that limits of authority between JPJ and SPAD is refined and identified in enforcing APAD and APJ in order to avoid red tape so that it will expedite summon process, compounding and other actions. It can also reduce the number of backlog cases.

7.3 Development of mySIKAP system needs to be fully utilized in order to achieve the set objectives, in view of the Government has spent about RM282 million and at the same time improve the public delivery system.

7.4 Tender Management of Number Plates should be improved to enhance the transparency of the Ministry. It is appropriate the tender

method is reviewed and among it is to disclose the names of individuals who won the tender. This can avoid negative perceptions among the public. In addition, the Committee welcomes the initiative of JPJ to develop an eBidding system to replace the manual method tender.

8. RECOMMENDATIONS FROM THE PUBLIC ACCOUNTS COMMITTEE

For the purpose of improvement in the future, the Public Accounts Committee has made several recommendations on certain matters such as follows:

8.1 Applying for a review of the activities and authority of JPJ so that there is no overlapping functions of SPAD and JPJ.

8.2 Request the Finance Ministry to take note on the application of the provisions of maintenance of all JPJ offices, including SPK for example SPK telipok is estimated at RM1 million but still yet to be approved for repair works;

8.3 Development of mySIKAP system shall be dealt properly and efficiently to avoid wastage and system development objectives can be achieved;

8.4 Prior to the implementation of eBidding, JPJ should manage the Tender Procedure Number Plates with more regular and transparent

manner so that there is no leakage in the issuance of tender numbers which show the number of winning bidders; and

8.5 JPJ must coordinate programme with the Malaysian Institute of Road Safety Research (MIROS), National Institute of Occupational Safety and Health (NIOSH) and related government agencies in connection with road safety to improve road safety and enforcement, thereby reducing the rate of accidents and road deaths.

Public Accounts Committee