

## **Malaysia requires a consolidated Ministry of Infrastructure for progress**

SINCE the formation of the federation in 1963, the cabinet had grown from 29 members (Rahman's third cabinet in 1964) to a peak of 93 members (Abdullah's second cabinet in 2004).

The position of parliament secretary has not been filled since Abdullah's third cabinet in 2008. Constitutionally, the prime minister is given the discretionary privilege to determine the number of ministries and office bearers.

The current Muhyiddin cabinet is made up of 70 members comprising 32 ministers and 38 deputy federal ministers, excluding the office of prime minister.

The Muhyiddin cabinet is made up of 62 elected MPs from the Dewan Rakyat and eight appointed Senators from Dewan Negara.

Excluding the position of prime minister, 27% of the elected MPs are members of the Muhyiddin cabinet. This comprises 55% of the 112 MPs that provide confidence and supply to Muhyiddin.

According to the Department of Statistics Malaysia, there are 32.8 million people living in Malaysia as of the first quarter of 2021.

The ratio of ministries to population is 1:1,056,000 and the ratio of cabinet members to population is 1:467,857. The number of ministries should be declining, to reflect the increased efficiency of the public administration.

Dr Mahathir undertook a widescale privatisation policy during his first tenure as prime minister, which shifted the federal government from a public goods service provider into a public goods service regulator.

His argument that privatisation leads to a smaller and more efficient government did not materialise at cabinet level. Instead, Mahathir's cabinet grew by 33% from 1981 to 2003. The Muhyiddin cabinet introduced the position senior minister for infrastructure development, held by Fadillah Yusof from Sarawak.

The minister co-ordinates the fragmented federal infrastructure sector under the purview of six different ministries: Environment and Water; Housing and Local Government; Energy and Natural Resources; Communication and Multimedia; Transport; and Works.

The government did not focus on building the administrative capacity of the state and local government, which involves devolving of federal powers.

Instead, the federal government consolidated greater power from the state governments. The bloated cabinet led to fragmentation of the public administration, which led to higher non-renumeration costs, wider bureaucracy, redundancies, and inefficient central planning.

Malaysia could not effectively solve critical issues such as climate crisis, welfare reach and disaster response under the fragmentation of the federal infrastructure sector.

### **Implications for the performance of non-infrastructure related ministries**

Several agencies that should be in other ministries are attached to the six ministries listed above.

For example, the fire and rescue department is part of the Ministry of Housing and Local Government but should have been merged with the Malaysia Civil Defence Force and be the responsibility of the Ministry of Interior Affairs.

This merger would improve the cohesiveness and response capability towards disasters, and saving precious lives.

The jurisdiction to regulate community finances, such as moneylending and pawnshops, is currently with the Ministry of Housing and Local Government but it should be merged into Bank Negara Malaysia (BNM).

The central bank possess better capacity, regulatory and enforcement to deal with community financing. BNM is regulating other community financing such as P2P lending, microcredit schemes and foreign currency kiosks.

The Ministry of Women, Family and Community Development should take over broadcasting and media development agencies such as RTM, Bernama and Finas.

The ministry should also take over the management of residents' associations and joint managed bodies.

It is the prime mover of targeted community projects that require access to media, RA and JMB to propagate government social agenda.

Its agency, the Department of Social Welfare, will improve its community reach through the network of RAs and JMBs.

### **Interministerial conflict of interests**

The Ministry of Housing and Local Government currently is pushing for incinerators under the veil of 'waste to energy' to deal with rising municipal waste.

According to the National Solid Waste Management Department, organic wet waste such as food and garden waste makes up more than 50% of total solid waste composition.

Thus, incinerators are the least viable method to attain energy. The best method to deal with organic wet waste is to produce bio-methane under controlled anaerobic digestion.

The bio-methane could be fed into gas power plants to displace the amount of fossil-methane (natural gas) used to generate electricity.

This reduces carbon emissions from both landfills and fossil fuels. Currently, landfill operators can only sell the electricity generated from bio-methane but not the bio-methane itself as fuel for electricity.

The cost of anaerobic digesters could be recouped by selling bio-methane to the nearest gas power plants.

The cost of acquiring an electricity generator to convert bio-methane into electricity is uneconomical for the landfill operators.

The regulatory power to execute such solutions is divided disproportionally between the Ministry of Water, Land and Natural Resources and the Ministry of Housing and Local Government.

Instead of pushing for bio-methane injection into gas power plants, the latter ministry is pushing hard for incinerators under waste to energy.

Utilising the industrialised building system will reduce cost, time, and reliance on foreign labour to build public infrastructure such as Mass Rapid Transit (MRT) and affordable homes.

Hence, there is a strong motivation within several ministries such as the Ministry of Housing and Local Government and the Ministry of Transport to make the system mandatory.

However, construction standards are regulated by the Ministry of Works through the Construction Industry Development Board (CIDB).

Fragmentation prevented the ministry from feeling the motivation to impose new regulations onto the construction capitalists.

The fragmentation of infrastructure-related ministries led to over-exploitation of energy resources to power the national economy.

Ministry of Water, Land and Natural Resources and the Ministry of Environment and Water are pushing for environmentally friendly buildings to reduce consumption of electricity and water respectively.

The regulatory powers to impose construction standards for environmentally friendly buildings are under the Ministry of Works.

Fragmentation prevented the latter ministry from feeling the need to enforce environmentally friendly buildings standards, and instead made it as voluntary measures to appease the construction capitalists.

The fragmentation of infrastructure ministries led to failure to impose efficiency standards on electricity and water for industrial and household equipment leading to overconsumption.

The electrical appliances efficiency benchmark rating is issued by Suruhanjaya Tenaga, which is part of the Ministry of Water, Land and Natural Resources.

Meanwhile, water appliances efficiency benchmark rating is issued by Suruhanjaya Pengurusan Air Negara (SPAN) as part of the Ministry of Environment and Water.

The fragmentation between the two ministries for electricity and water prevented the creation of singular efficiency standards for electrical water appliances such as dishwashers, washing machines and water heaters.

Fragmentated standards increased the compliance cost which increases the resistance from manufacturers for adoption of efficiency standards.

The rate of wear and tear of the existing electricity and water infrastructure increases in tandem with overconsumption for electricity and water.

The overconsumption and overexploitation of resources demands unnecessary public investment for newer energy power plants, upgrading the electricity grid, new water treatment plants etc.

This deprives public resources and tax money from other critical sectors such as public transport, rural electrifications, and rural roadworks.

The failure to enforce efficiency standards for buildings and equipment hampered the demand needed to stimulate green technology industries and create green jobs needed to stem unemployment and underemployment.

The fragmentation of federal infrastructure leads to poor urban planning leading to excess reliance on private mobility.

Urban planning, roadworks and public transport are three important sub-components of public infrastructure on any town planning to sustain growing populations.

However, the jurisdiction of urban planning, roadworks and public transportation are fragmented under the Ministries of Housing and Local Government, Works and Transport respectively.

The tolled highways developed by the Ministry of Works had made some cities and urban spaces inaccessible by pedestrians and public transport operators.

The Ministry of Transport works through the Road Safety Department of Malaysia but it does not carry the responsibility to reduce road accidents.

Potholes and poor road maintenance have led to multiple road accidents in Malaysia but the jurisdiction of road quality is that of the Ministry of Works.

Blending used plastics and/or used tyres into road construction improves road durability but it is slightly costlier.

This contradicts with the ministry's focus to increase the kilometres of road surfaced per ringgit.

### **The way forward for this great federation**

The operational mechanism of the federal government needs to be consistently revisited to ensure top-notch efficiency and eradicate unproductive bureaucracy.

The federal government should have established a Ministry of Infrastructure to consolidate all infrastructure affairs several decades ago.

This would have sped up policy execution timeframes, reduced costs, optimised assets lifespans, and even saved lives.

The consolidated Ministry of Infrastructure would increase co-ordination for transport, energy, water supply, sanitations, waste management and the infrastructure corridor.

The positive impact of establishing a Ministry of Infrastructure will be felt in other ministries as it allows for relocation of certain agencies and departments hoarded by the six redundant infrastructure-related ministries.

The prime minister's main priority is to optimise public services and goods from the public resources and taxes.

The fundamental question remains unanswered, does the political establishment led by the prime minister have the political will to reduce the cabinet by five ministries?