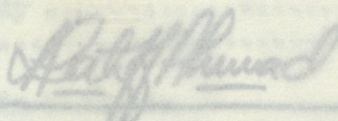


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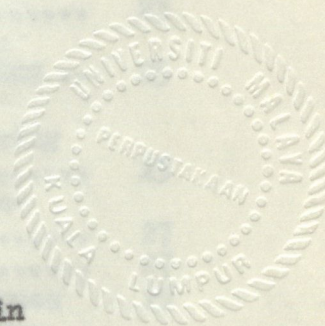
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Faculty of Economics and Administration
University of Malaya

22nd August, 1971 A Graduation Exercise submitted in
partial fulfilment of the requirements
for the Degree of Bachelor of Economics in
the Faculty of Economics and Administration



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LIST OF ABBREVIATIONS

MCS	=	Malaysian Civil Service
NIDA	=	National Institute of Development Administration
PSC	=	Public Service Division
STC	=	Government Staff Training Centre
Centre	=	Government Staff Training Centre

Prior to the analysis, it is necessary to understand two basic concepts that underlie this study. Concepts can be mis-conceived and failure to understand these concepts may seriously damage the original intention of this study. These two basic concepts are:

1) What is financial administration?

Financial administration is a relatively recent phenomena in governmental process. Sound financial administration is basic to the development of a country, to the stability of its currency and its ability to pay for the operations at home and abroad. Financial administration also has a decisive impact on long-range programs of economic and social development. In fact virtually every governmental decision has financial implications which eventually influence all sectors of the economy, public and private.

Therefore, in a technical sense, financial administration is viewed as a time cycle, from the levying of taxes to their ultimate expenditure. In practice, elements of financial administration take place concurrently with all parts of the government's business and its operations.

H.A. Alderfer suggests that there are ten basic parts in the financial administration process. These ten parts can be categorized into 3 major categories i.e. (i) Budget preparation, (ii) legislative influence on the Budget and (iii) the Budget execution.

CHAPTER I

Preparation of the Budget begins with the collection of data of each department's estimated expenditure which is compared with the estimated revenue.

INTRODUCTION

A. Definition

This study attempts to analyse the scope of training for financial administration in the Malaysian Civil Service (MCS). It is intended to show the growth and impact of financial administration in the MCS, the quantity and quality of training for financial administration given, and consequently to establish specific areas in financial administration requiring training.

Prior to the analysis, it is necessary to understand two basic concepts that underlie this study. Concepts can be misconceived and failure to understand these concepts may seriously damage the original intention of this study. These two basic concepts are:

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Therefore, in a technical sense, financial administration is viewed as a time cycle, from the levying of taxes to their ultimate expenditure.² In practice, elements of financial administration take place concurrently with all parts of the process being continuous and inter-related.

¹ United Nations, A handbook of Public Administration, UN Publication, Chapter on Budget and Financial Administration.

² H.A. Alderfer, Public Administration in Newer Nations.

2) H.A. Alderfer³ suggests that there are ten basic parts in the financial administration process. These ten parts can be categorised into 3 major categories i.e. (i) Budget preparation, (ii) legislative influence on the Budget and (iii) the Budget execution.

Preparation of the budget begins with the collection of data of each 'department's⁴ estimated expenditure which is consolidated into an overall budget. It should be noted that governments begin by preparing the expenditure estimates rather than preparing the revenue estimates first, simply because these governments possess the sovereign right to raise revenue to meet the expenditure estimated for that year.⁵ This overall budget representing the National budget now becomes an instrument for scheduling and evaluating governmental activities.

Summarised in a document which is of unusual public interest and importance, the budget is presented before the legislature for approval. This system is practised in democratic countries only. In non-democratic countries, the central authoritative body approves the budget estimates. The legislative body must now raise the revenue need to meet the budget expenditure on the basis of the revenue estimates presented in the Budget document itself by the executive body. The legislative body also passes appropriation acts to allow the departments to spend the money appropriated.

Upon approval by the legislative body, the budget is ready for implementation. Departments make their requisitions for expenditure, which are checked to ensure legality before being procured. Such expenditures are also post-audited to ensure financial integrity. Program implementation now takes place.

Thus, financial administration cycle is completed and is repeated for the next financial year. Therefore, this is the financial administration that will be basis of this study.⁶

³ Ibid

⁴ "Department" is taken to include all Ministries, Agencies and other public bodies.

⁵ Malaysia, Federal Constitution, Art 96

⁶ For a diagrammatic illustration of the cyclical nature of the parts of financial administration, especially the functional aspect, see appendix I.

2) What is training ? Each level also differs. In the

To train is "to give teaching and practice to (e.g. a child, a soldier, an animal) in order to bring a

desired standard of behaviour, efficiency, or physical condition." ⁷ Therefore, in the context of the MCS,

training is the giving of teaching and practice to an

officer recruited into the service, in order to achieve a desired standard of behaviour and efficiency. Training,

however must not be confused with education which is the provision of systematic training and instruction especially

one of an intellectual or moral nature. Education is basically the transmitting of knowledge for intellectual

ends while training is the transmitting of knowledge to

equip recruits "with the ability to make greater use of scientific and technical innovation as well as the

skills to cope with ever increasing and complex tasks of government". ⁸

Training therefore plays an important role in the government as a process of developing human resources. ⁹

Governmental processes are becoming more advanced and more complex in view of the rapid progress needed in

the areas of social and economic development. The Government's responsibilities in such areas are tremendously increasing. Inevitably, there is an equivalent

degree of need for trained personnel to man the government machinery. Such personnel must possess the relevant

ability and skill needed to carry out these responsibilities. Training is indispensable for sound

administration for social and economic development. ¹⁰

In large organizations, there are various levels of administration involved. Thus, training must be

suitably organised to provide training that is most appropriate at each level. There are three distinct

level of administration in most large scale organizations : the top management level, the middle management

level and the first line management level. For each of these levels different quality of officers are found.

⁷ Hornby A.S., add Parwell EC, An English Reader's Dictionary, Oxford University Press.

⁸ Development Administration Unit and Staff Training Centre, Training for Development in West Malaysia.

⁹ Ibid.

¹⁰ United Nations, Training in Public Administration, UN publication.

Training of officers at each level also differs. In the context of this study, training will be analysed on the basis of these three levels.

B. Reasons for making the study

There are two outstanding reasons for making this study (i) the importance of financial administration and (ii) the lack of assessment of training on financial administration provided by the government.

1) Importance of Financial Administration

Financial administration began to exert its importance with the increase in the size of the budget. The expenditure budget in 1950 was \$340,003,579. In a space of seventeen years, the expenditure budgeted rose to \$1,800,039,00.¹¹ This represent approximately a six-fold expansion in the size of the budget. This exceptional expansion in the size of the budget implies a tremendous need for skilled personnel to meet the need of increased activities. By 1970, the amount budgeted rose to approximately \$2282.2 million. Specifically security (25.6%) social services (28.5%), Commerce and Communication (6.9%) and General Administration (11.4%) consumed 72.4% of the budget.¹²

The importance of financial administration is also evident in Malaysia's planning towards social and economic progress. The success achieved by the government are its first and second Malaya plans and its first Malaysia plan (1966-70). Such long-term social and economic development increases the importance of financial administration. In the light of heavy dependence on tin and rubber as Malaysia's major exports and a glaring uneven distribution of income, the second Malaysia Plan is designed to improve the economic and social well-being of all sector and to redress the rural-urban imbalance, and also to effect diversification of the Malaysian economy. These important and major objectives imply a huge redistribution of the resources, based on long-term planning.

Evidently, such long-term planning imply major financial considerations have to be made. Financial plans have to be drawn out to cater for such planned objectives.

¹¹ Malaysia, Revenue & Expenditure Budget, 1950

¹² Malaysia, Revenue & Expenditure Budget, 1967
Malaysia, Revenue & Expenditure Budget, 1970

The First Malaysia Plan 1966-70, is designed to achieve a variety of objectives, namely to increase the well-being of the rural and low income group, to generate employment opportunities to sufficiently take in new entrants, to stimulate new economic activities through agricultural diversification and industrialization, and to educate and train people to equip them for efficient participation in the process of economic and social development.¹³ This implies tremendous financial involvement. By 1968, the Gross Domestic Product of Malaysia increased by \$1,381 million to a total of \$10,658 million.

The Second Malaysia Plan (1971-75) has budgeted an even more impressive sum of \$14,350 million for Malaysia's economic and social development in the next five years.¹⁴ Financial administration carries a heavy responsibility in this respect.

Finally, the importance of financial administration lies in its ability to efficiently manage financial resources. Whether it be the annual operating expenditure or the development estimates financial administration is responsible for the efficient resources management both when formulating policies and when implementing programs. With efficient financial resources management development of the economy is bound to succeed.

2) Lack of assessment of training for financial administration

In view of the increasing importance of financial administration in fostering plans and programs for economic and social development, one would expect the government to conduct systematic assessment of training for financial administration. A study of this area can reveal the technical skill and ability of the personnel in carrying out a task as heavy as this. Financial Administration basically requires skilled personnel to effect efficiency in its machinery and this cannot be assessed without conducting systematic research in this area. Unfortunately, no such assessment was made by the government.

¹³ Malaysia, Interim Report on the First Malaysia Plan, Government Printers, 1968.

¹⁴ The Straits Times, 20 July 1971, p.1 Col.2.

Therefore, this study hopes to create more interest in this area and also to point out the adequacy (or otherwise) of training for financial administration.

C. Methodology

The data for this study is gathered from a number of sources.

Although writings on financial administration in general is limited, nevertheless it is a source of date. Writings on training in general also form the source of date collected for this study, which is again very limited.

Therefore, interviews were conducted to supplement and to bring up to date various developments in the training for financial administration, which could not be found in writing. Many ideas on improving training were forwarded.

The last source of data is the various annual reports (e.g. Annual Report of the Government Staff Training Centre /STC/) and governmental documents (e.g. the Training for Development in Malaysia report and the Montgomery-Esman report on development administration in Malaysia).

D. Limitations of the Study:

Training for financial administration in the MCS extends over a large area. For the purpose of effecting critical analysis, this study has been limited to cover training for financial administration for Divisions I and II only. Therefore, no effective consideration will be given to Divisions III and IV i.e. clerical etc.

The study is also limited to cover only the MCS i.e. the Federal Civil Service level. This automatically leaves out the State and the local levels.

Thus, the study is limited to the assessment of training for financial administration for officers in Divisions I and II in the Service of the Federal government.

The second form of limitation is not intended but arise out of the inherent nature of the governmental bureaucratic structure. There is inaccessibility to information of a confidential nature namely the National Institute of Development Administration (NIDA) documents. This limitation has one significant effect on the study. It intends to distort the study's attempt to show the direction of training for financial administration, mainly because the writer in considering the NIDA project has to rely on the interpretation of the project by various people interviewed. (Nevertheless, the writer is appreciative of these peoples' good intent).

E. Chapter Organization

Briefly therefore, the study is constructed in the following manner.

Chapter II, attempts to analyse financial administration in Malaysia to show its growth, its orientation, its legal framework, its relevance in the development context and its present standing.

Chapter III, analyses the training for financial administration at the three levels of management with emphasis on the training syllabus, the training techniques and adequacy of training staff and trainees. It is hoped that a clear picture of the training for financial administration in the MCS will be made available.

Finally, in the fourth and last chapter, a summary of the training for financial administration in the MCS will be made. Where proper and befitting, recommendations will be forwarded.

After going at length to understand the objective of the study and its two major underlying concepts, the methodology and the limitations, we will now go into the study proper.

1. Pre-British Administrative Heritage

Long before the first European Colonialist came to this region, Malaysia existed as a number of small Sultanates each having their respective sultans. The administration of these states were very much the same each having a feudal form of administration centred around the Sultan. Assisted by his "Pendahara" (Prime Minister), "Tumenggong" (Minister of War) and a string of court officials and other chieftains, the Sultan conducts his "affairs of state" in ceremonial glances. The strict oriental etiquette observed during such ceremonies of "menghadap", admitted a selected few to the Courts. Although the traditional Malay Sultanate had established an administrative heritage, the emphasis was on the ceremonies which reflected the strong authoritarian rule, rather than emphasizing on matters of administration.

Nevertheless, for whatever limited purpose it served, this traditional administrative heritage did provide for the administration of finance. The Sultanates had a "Pengaruh Bendahara" who "controlled all the Revenue and Customs Officers and looked after the Palace buildings and equipment." ¹ Wilkinson's statement suggests that administration of finance during the feudal days was centred around trade. However, "there were few domestic products suitable for export, the amount of land given

¹ Wilkinson R.J., The Malacca Sultanate, JMBAS, XIII, 1935

even to agriculture was all in the immediate vicinity of the town and was totally inadequate to meet the needs of the steadily expanding population." 2 Therefore one is left to conclude that 'financial administration' in those days was limited in its function and scope.

CHAPTER II

To foster this trade, the requirement of merchants were met. FINANCIAL ADMINISTRATION IN MALAYSIA
fixed weights and measures and coinage (usually tin).

A. The Administrative Heritage

Beyond this limited, quasi-financial administration, Malaysia inherited her administration from two major sources. The first and the earliest one is the traditional Malay Sultanate administration. This administrative heritage was gradually discarded for the second one. Nevertheless, it accounts for the existence of some form of financial administration. The second source is the administrative heritage got from the British Colonial masters. This is the financial administration that exists in Malaysia today although much changes has been introduced into it since its first practice here.

1. Pre-British Administrative Heritage

Long before the first European Colonialist came to this region, Malaysia existed as a number of small Sultanates each having their respective sultans. The administration of these states were very much the same each having a feudal form of administration centred around the Sultan. Assisted by his "Bendahara" (Prime Minister), "Temenggong" (Minister of War) and a string of court officials and other chieftains, the Sultan conducts his "affairs of State" in ceremonial glours. The strict oriental etiquette observed during such ceremonies of "mengadap", admitted a selected few to the Courts. Although the traditional Malay Sultanate had established an administrative heritage, the emphasis was on the ceremonies which reflected the strong authoritarian rule, rather than emphasizing on matters of administration.

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To foster this trade, the requirement of merchants were met with a regulative system of fixed customs duties, fixed weights and measures and coinage (usually tin).

Beyond this limited, quasi-financial administration, there is no indication of any attempt to administer finance for the economic and social development of these Sultanates. Agriculture was conducted modestly and on individual basis rather than being supervised by the Sultans.

The coming of the Portuguese to Malacca in 1511 did not see much change in the administration of finance. These "servants of the King" were bent on "making a military attack on their religious, political and commercial enemies" rather than attempting to establish their rule in the area. ³ In any case, the Portuguese had vast commitments in Brazil, Morocco, East and West Africa, and Asia to allow them to dispense with more than a few hundred men to perform a colossal task of nation-building.

The Dutch colonial regime upon dominating Malacca was also a failure at establishing a lasting administrative heritage. In fact, the Dutch had no intention of settling down in Malacca. For commercial reasons, they preferred centralizing trading activities in Batavia. ⁴

Evidently, the "modus operandi" established by the traditional Malay Sultanates persisted all through this period. Financial administration was static almost to the point of non-existence. This was to be exposed to a new heritage which revolutionised the entire area of administration, including financial administration.

² Meilink, MAP., Asian Trade and European Influence in the Indonesian Archipelago between 1500 and about 1630.

³ Macgregor I.A., Notes on Portuguese in Malaya, JMBRAS, XXVIII, 2, 1955.

⁴ Brenner M.J., Report of Governor Balthasar Bart on Malacca 1678, JMBRAS, V, 1, 1927.

2. British Administrative Heritage

Unlike their predecessors, the British was to establish a colony out of the Malay Peninsula. The founding of Penang in 1786 and Singapore in 1819 marked the beginning of their colonization spree in Malaya. Although commercial interests underlined their reasons for the venture, they soon dominated the peninsula. With the signing of the Anglo-Dutch Treaty of 1824, the coast was clear for British colonization of Malaya. ⁵

Straits
Settlement

2,610,440

218,426

4,043,480

During this early period the British regarded the Straits Settlement "not as a nucleus of a Malayan empire but solely as trading centres; and the Directors" (of the East India Company) "were more than content that their territorial responsibilities were practically limited to the land upon which the town was built." ⁶ The early British colonial regime did not fancy intervention into the affairs of the Malay States beyond their trade involvement.

790,548

7,327,693

7,721,393

10,571,300

920,000

14,821,300

Due to their commercial interests, the Straits Settlements began to increase its trade. The quasi-financial administration in the area of trade progressed. In less than 4 decades trade in the Straits Settlement increased by more than four-fold, from 4,043,480 to 18,570,080. (see table 1).

18,570,080

The adoption of a more active policy in Malaya began around the 1870s. The British economic interests in the area has advanced to a magnitude that they had to adopt a policy of direct rule out of fear of foreign competition especially from the United States of America, Germany and Italy. ⁷ This together with the change of government in Britain contributed to British political influence and control in Malaya. ⁸

⁵ By signing the Anglo-Dutch Treaty 1824, the Indonesia-Malaysia region was divided into two spheres of influence. The British were given areas north and east of the Straits of Malacca and the Dutch took areas south and west.

⁶ Mills, L.A., British Malaya 1824-67, JMBRAS, XXXIII, 3, 1960.

⁷ Cowan C.D., Nineteenth Century Malaya: the Origin of British Political Control.

⁸ McIntyre, British Intervention in Malaya, Journal of Southeast Asian History II, 3, 1961.

In 1905 the postal revenue was \$296,323, money order issued at \$1,790,147, cost of education \$322,512 and 396 miles of railway opened at \$37,261,922.

TABLE 1

STRAITS SETTLEMENT TRADE 1825 - 1864 (in £)*

Year	Penang	Singapore	Malacca	Straits Settlement
1828	1,114,614	2,610,440	218,426	4,043,480
1830	708,559	3,948,784	141,205	4,798,548
1840	1,475,759	5,831,924	- (a)	7,327,693
1850	1,644,931	5,637,287	349,175	7,721,393
1859	3,530,000	10,371,300	920,000	14,821,300
1864	4,496,205	13,252,175	821,698	18,570,080

* Bastin J and Wink R.N. Malaysia : selected Historical Readings.

(a) No quotation given

The period between the introduction of direct British intervention into the affairs of the Malay States, and the ensuing independence in 1957, saw a number of changes in the administration of Malaya spread over numerous areas. In the area of financial administration the changes that took place were few and far apart. But, it cannot be denied that the British colonial regime introduced the use of budget as a tool in distributing the finance of the country towards progress and development. Evidence of this can be seen when at the second conference of rulers, the Sultan of Perak, reflected the progress of British control showing the revenue and expenditure, the forest revenue, the postal and telegraph receipts and the railway receipts; to emphasise financial administration carried out by the British Colonial regime.⁹ Financial administration grew so much that the British Colonial Regime introduced the Financial General Orders in 1951 to regulate

⁹ Sweetenham, Sir Frank, British Malaya. In 1905 the postal revenue was \$296,323, money order issued at \$1,798,147, cost of education \$322,512 and 396 miles of railway opened at \$37,261,922.

financial administration practiced. By this time i.e. 1951, the Federation of Malaya agreement 1948 was already signed signalling the coming of independence a decade later.

Nevertheless, it cannot be denied that the British Colonial rule, although after accused of failing to consider our progress, did leave us with an administrative heritage far more previous than economic gains at that point of time. The administrative system used by the British became so deeply rooted that in the area of financial administration, a number of orientations were left behind when the Colonial regime relinquished its authority over Malaya.

B. The Colonial Orientation

The colonial orientation that Malaya (and Malaysia since 1968) received, is spread over three areas: the budget, the strong control of expenditure and the financial and accounting terminology. Each area is significantly important in view of expanding financial administration and together they gave financial administration the stable and practical working structure it possesses today.

1. The Budget

In the area of budgeting, a significant orientation is the introduction of the budget itself. The finance within the country is given a tool for its management. It enabled financial administration in Malaysia to plan for expenditure and revenue and also to account for them. Before the British introduced the budget, there was not single systematic form of plan for expenditure and revenue, nor for accounting for them. But with the introduction of the budget, financial management and accountability became systematic and practicable. Undoubtedly the budget used today has undergone changes but the original concept still persists, thus making it one of the major contributions of the Colonial regime in the area of financial administration.

Due to the Colonial regime's commercial motivation in coming to Malaysia, the budget appropriations tended towards promoting trade to increase profit. Where spending implied development, it is indirectly useful in fostering trade. One such example is the opening of 396 miles of railway in 1905, at a cost of \$37,261,922 which, while developing a most useful infra-structure for the country, indirectly served as convenient communication access for the Colonial trade. This suggests that expenditure tended towards promoting trade.

Malaya, Financial General Orders (1951) Art. 32
Malaya, Financial General Orders (1951) Art. 33
Malaya, Financial General Orders (1951) Art. 34

At the time the concept and practice of the budget was introduced to Malaysia, the European financial administration was dominated by orthodox practices namely the practice of balanced budget. Keynes' challenge to the conventional economic wisdom of balanced budgeting had not gained acceptance as yet.¹⁰ This orthodox practice of balancing revenue and expenditure was introduced into the Malaysian financial administration together with the budget. The attempt since its introduction has been to balance the budget which resulted in small expenditure. There was no move to practice deficit financing which would have led to increased development activities, thus speeding up financial administration development in Malaysia.

2. System of expenditure Control

In the next area of colonial orientation, the British introduced a system of control of expenditure.

This strong control can be seen in the preparation of expenditure estimates. The expenditure estimates is to be framed to show as nearly as possible the amount it is expected will actually be spent during the year. The creation of a new head of expenditure for a total cost exceeding \$25,000 will first require the approval of the Financial Secretary or the High Commissioner. With the exception of four cases, additions to the establishment must require approval of either of the officials mentioned above.¹¹ These are some of the examples of strong control of expenditure estimates.

Even in authorizing approved expenditure estimates, it should be done by general warrant or special warrant authorized by the High Commissioner or the Financial Secretary. The Accountant-General was not authorized to make payments without these duly signed warrants for approved estimates do not constitute authority for payment. Payments, however will be based on the sum appropriated in the approved estimates. Finally, authorized warrants cease absolutely on 31st December of the year.¹² These financial provisions undoubtedly

¹⁰ Pfiffner J.M. and Presthus R. 'Public Administration'

¹¹ Malaya, Financial General Orders (1951) Art. 19.
Malaya, Financial General Orders (1951) Art. 20.
Malaya, Financial General Orders (1951) Art. 21.

¹² Malaya, Financial General Orders (1951) Art. 31
Malaya, Financial General Orders (1951) Art. 32
Malaya, Financial General Orders (1951) Art. 33
Malaya, Financial General Orders (1951) Art. 34

are intended to control expenditure to ensure accountability and consistency with due process of the law.

Beside these the Financial General Orders 1951 also has provisions for other controls of expenditure. This practice of obtaining detailed approval prior to expenditure, passed down by the British Colonial regime has maintained its stand. The Treasury Instructions (1966) which replaced the Financial General Order (1951) is basically a revision of the latter. Therefore this strict expenditure control orientation passed down by the British colonial regime is, generally speaking, still practised.

The reasons behind these strict expenditure control can be traced to 3 factors. Firstly, the desire to balance expenditure and revenue meant some control of expenditure is needed. Secondly, with the introduction of democratic principles into Malaysian politics, there is a need to control expenditure for legislative accountability. Finally perhaps, the control of expenditure meant that the home government has some control over her colonies.

3. Financial terminology

The third area of British colonial orientation is the financial and accounting terminology used. The use of British financial and accounting techniques and practices meant the use of their terminology as well. Otherwise undue complications would arise thus reducing their practical usefulness.

Terms such as contingencies fund, consolidated fund, supply expenditure and expenditure classifications such as personal emoluments, other charges annually recurrent and other charges, special expenditure are some examples of the terminology inherited from the British.

The extent of the use of these terminology has been so deep-rooted that its practice has perpetuated into the financial administration in existence today. Some of the terms have either been replaced or entirely discontinued but the general terminology orientation remained unchanged.

C. The Colonial Orientation - adequate ?

Undoubtedly the Colonial orientation in the area of financial administration is an immense British contribution but the question remains whether this is adequate in the light of expanding development objectives ?

One outstanding factor that suggests the inadequacy of the British Colonial orientation, is the attempted balanced budgeting. Balanced budget has tendency to limit expenditure to fit within the scope of the expected revenue. The limitation on expenditure suggests a limitation on the development of a country. Obviously, with such limitations, financial administration progress cannot be made rapidly.

The budgets under the Colonial regime, due to their commercial interests in the area were bound to favour expenditure that favour their commercial interests. This attitude is not adequate to meet demand for extended development of Malaysia. Unlike the colonial days, the administration in Malaysia is now based on the economic and social well being of the people rather than on commercial motivation above. As suggested by the First Malaysia Plan (1966-70), the plan is essentially planned to accomplish objectives of these nature.¹³ Objectives such as the promotion of integration of the people, opening new land to reduce 'landless-ness' for agricultural purpose or the introduction of a National Family Planning Board to lessen the present rate of population growth had not arisen during the Colonial era. Therefore the financial administration practised did not have the necessary innovations to cope with the above objectives.

The Federal Development expenditure allocation 1966-70 revealed an allocation of \$3,908.358 million to be allocated among 27 heads of expenditure. To deduce the direction of expenditure one can see that an amount of \$407.6 which is intended to increase rural wellbeing while an allocation of \$437.658 million for commerce and industry suggest an attempt to generate more employment opportunities to take in new entrants.¹⁴ These and other figures listed in table 2 suggest the economic and social considerations of the government. A financial administration intended to serve commercial motivation mainly cannot adequately cope with this increase in development activities without reorganization and reorientation.

Another reason that suggests the inadequacy of the Colonial orientation is the fact that no legal framework specially designed for Malaysia was made until very late. Only in 1951 did Malaysia receive the Financial General Orders and even this was not revised until after independence when in 1966 it became the Treasury Instructions. Therefore, the colonial orientation left behind is a trifle too inadequate to meet our present needs.

Furthermore, when the British introduced financial administration into Malaysia, it (financial administration) had not yet developed into the effective management tool it is today. Therefore,

¹³ Malaysia, First Malaysia Plan, Kuala Lumpur, government printers 1966.

¹⁴ Malaysia, op. cit. p. 4 (Footnote 12 p. I)

without constant revision, the TABLE 2.1 financial administration cannot possible be effective. In fact it should be put into and inefficient.

FEDERAL DEVELOPMENT EXPENDITURE (* MILLION)

All these reasons suggest the inadequacy of the orienta-

Head	Plan Allocation 1966-1970	Estimated Expendi- ture 1966-68
Prime Minister	4.453	2.990
Justice	5.699	1.742
Statistics	6.000	1.833
Chemistry	720	321
Printing	1.600	868
Prisons	20.710	5.458
Radio	48.300	23.652
Television	2.758	698
Information	2.017	1.296
Ministry of Local Government & Housing	2.100	2.219
Housing	158.000	88.819
Malacca Municipality	1.400	-
City Council Penang	2.500	1.500
Ibu Kota Kuala Lumpur	15.000	2.600
Ipo Municipality	12.400	1200
Immigration	-	772
Ministry of Culture, Youth & Sports	13.031	3.114
Treasury	-	2.212
Customs excise	5.212	2.647
Commerce & Industry	336.554	228.606
Education	437.658	168.840
Health	188.980	102.605
Labour	1.950	409
Social Welfare	9.796	1.807
Agriculture	122.813	40.361
Co-operative Development	1.500	7.941
Ministry of Rural Development	407.500	210.777
Total	3,908.358	1,906,377

Source: Malaysia, Interim report of the First Malaysia Plan 1966-70, Kuala Lumpur, Government Printers, 1968.

¹⁵ Malaysia, Federal Constitution, Art. 4(1)

without constant revision, the Colonial financial administration cannot possibly be effective. In fact it should be outdated and inefficient.

All these reasons suggest the inadequacy of the orientation left by the Colonial regime. But, we cannot ignore the fact that we owe the British for their system. Although the system is inadequate to meet present needs without reviewing the system, it is a starting point from which we could develop our financial administration.

D. The Framework of Financial Administration in Malaysia

A study of financial administration in Malaysia is incomplete without viewing the legal and administrative framework of financial administration in Malaysia. Basically 3 documents serve as the framework of Malaysian financial administration: (1) The Federal Constitution of Malaysia (1957), (2) The Financial Procedure Ordinance (1957) and (3) The Treasury Instructions (1970).

1. The Constitution

The legal framework of Malaysian financial administration is provided by the Federal Constitution of Malaysia. The Federal Constitution is the supreme law of the Federation.¹⁵ Financial provisions provided by the Constitution are laid out in part VII. The provisions can be divided into four major elements - the authorization of expenditure and taxation, the appointment of the Auditor-General, the establishment of a National Financial Council and the federal-state fiscal arrangement.

a) authorization of expenditure and taxation

Article 98 provides for expenditure to be charged from the Federal consolidated Fund. It includes all pensions, compensation for loss of office and gratuities for which the Federation is liable, all debts and all money to satisfy any judgement e.g. Court decisions. This article reflects an attempt to consolidate all expenditure from one main source. The logic of this move is that financial resources of the government can be clearly and easily pictured while at the same time making accountability easily handled.

The Constitution also requires the Yang Di-Pertuan Agong to present estimated receipts

¹⁵ Malaysia, Federal Constitution, Art. 4(1)

and expenditure before the House of Representative, on annual basis.¹⁶ This represents the democratic principle of presentation of receipts and expenditure to be approved by the representatives of the people. Beside informing the people of governmental policies, it also acts as a means of the peoples' control over the government machinery.

The Constitution also provides for supplementary and excess expenditure meant to meet insufficiency of appropriation.¹⁷ This Constitutional provision enables the execution of programmes to be carried out smoothly and ensures its continuity. Unforeseen circumstances have presented themselves at various points of time which would have hampered the progress of approved programmes, without this provision. A contingencies Fund is maintained for meeting such needs.¹⁸

In the same line, revenue collection in the hands of the Federal government i.e. the Federal government possess the sole right of raising revenue.¹⁹ This guards againsts duplication of revenue and also provides easy means of maintaining accountability.

b) The appointment and responsibility of the Auditor-General

The second element covered by the Federal constitution is the appointment of the Auditor-General and the specification of his duties. The importance of such provisions lies in the fact that the office of the Auditor-General is solely responsible for accountability of financial resources of the Federation. He is responsible for auditing and reporting the accounts of the Federation, States and public bodies.²⁰ The heavy responsibilities given to the Auditor-General require provisions to be made to ensure the security of his term of office and his remuneration. On this assumption therefore, the Auditor-General is

²¹ Malaysia, Federal Constitution, Art 103

¹⁶ Malaysia, Federal Constitution, Art 99(1)

¹⁷ Malaysia, Federal Constitution, Art 101

¹⁸ Malaysia, Federal Constitution, Art 103

¹⁹ Malaysia, Federal Constitution, Art 96

²⁰ Malaysia, Federal Constitution, Art 106

All these Constitutional financial provisions appointed by the Yang Di Pertuan Agong after consultation with the Conference of Rulers. Although the Auditor-General is entitled to reappointment he is not eligible for other appointments while in office. This strict appointment prevents him from possible corruption, thus reducing accountability. The Constitution also provides for his removal "in the like manner as a judge of the Federal Court." His remuneration and other terms of office (including pensions) are protected to legal ensure that his integrity is maintained to enable him to perform these heavy duties.²¹ Therefore a

c) National Financial Council

Beside provisions to ensure maximum accountability, the Constitution has a provision for the establishment of a National Financial Council.²² The Council consisting of a Federal Minister and the representative of each state, to provide consultation with the Federal Government on financial matters of federal grants to states, assignment of taxes to states, making loans to States, making development plans and other matters deemed necessary for centralized consultation. The benefit derived from having such a Council is the availability of a central co-ordinator to make arrangements for financing the whole country. The Council also ensures progressive development of the country so that weaker states can be helped. In this way uniformity of development is obtained.

d) Federal State Fiscal Relations

Finally the Federal Constitution makes arrangement for Federal-state fiscal relations in the area of finance. These arrangements enables the Federal Government to assist states in need of financial assistance in order to go on with their development programmes.²³

²¹ Malaysia, Federal Constitution, Art 105
²² Malaysia, Federal Constitution, Art 108
²³ Malaysia, Federal Constitution, Art 109
 Malaysia, Federal Constitution, Art 110
 Malaysia, Federal Constitution, Art 111
 Malaysia, Federal Constitution, Art 112

²⁴ Malaysia, Financial Procedure Ordinance

²⁵ Malaysia, Treasury Instructions, Art. 1

All these Constitutional financial provisions form the legal framework of financial administration in Malaysia. The legality of authorization, accountability, co-ordination and fiscal Federal-State arrangements in the area of financial administration are outlined to form the basis for financial operations.

2. The Financial Procedure Ordinance

The Constitutional provisions provides only the legal framework of financial administration but this is inadequate to ensure efficient financial administration. Therefore a second document comes into play to provide the administrative framework for financial administration.

This document, the Financial Procedure Ordinance 1957 is based on the Constitutional provisions. While it is legal and binding on financial officers, it also outlines the machinery for financial administration. The Financial Procedure Ordinance provides "for the control and management of public finance of the Federation and for financial and accounting procedure including procedure for collection, custody and payment of public money of Federal and State, and purchase, custody and disposal of public property other than land of Federal and of State, and for matters connected therewith." ²⁴

The ordinance operationalise financial administration as provided by the Constitution. In this way, finance can be administered in a singular and systematic procedure so that the administrative process of financial administration is made less complicating.

3. The Treasury Instruction

However, operationalization of financial administration may involve complications especially in interpreting such financial procedures as set by the Financial Procedure Ordinance 1957. This need for more instruction of how to carryout these financial procedures let to the formulation of the Treasury Instructions.

Like the previously mentioned documents, the Treasury Instructions is also "binding on all accounting officers of the Federation and of the States of Malaysia."²⁵ It attempt to instruct financial officers in matters relating to the efficient administration of finance. It should be noted that the Treasury Instructions is the post-independence

²⁴ Malaysia, Financial Procedure Ordinance

²⁵ Malaysia, Treasury Instructions, Art. 1

revision of the Financial General Orders (1951). In the main, it helps financial officers in preparing expenditure estimates and advice them on correct accounting procedures.

These 3 documents together form the framework of financial administration in Malaysia. They ensure the legal economic and efficient handling of financial resources by accounting officers. The availability of this framework suggest the advancement made in the area of financial administration. However, advancement also came from other sources and one such source is the Montgomery-Esman report on development administration in Malaysia in 1966.

E. The Montgomery-Esman Report 1966

Although the Montgomery-Esman report (1966) is directed towards a better development administration, the study made has considerable bearing on financial administration. The study discovered several inefficient practices in financial administration and recommended changes be made.

1. The Budget

Firstly, the report found that the budgetary system was not furnishing data such as the scope and cost of each programme as well as unit cost which is so vital to decision making by interested parties such as the Prime Minister, the Treasury, the Parliament and the general public. The report criticised the system as "a poker game in which the departments overestimate their requirements and the Treasury attempts to call their bluff." This suggests that the Treasury is placed in a weak position to challenge departmental estimates. The report recommends the furnishing of data relevant to decision-making to enable effective Treasury control.

(ii) It is also expected that by the recommendations, It was also found that Treasury officials were involved in detailed prior Treasury approval of departmental estimates instead of confining themselves to broad lines of departmental programmes through the delegation of the power of discretion to each head of department. The report also discovered the weakness of the Budgetary Division of the Treasury and suggest a strengthening of its powers by a more "intensive scrutiny over spending estimates". This can be achieved by having each Treasury official concentrate on one or two departments so as to be fully acquainted with their problems and needs. In this way, more efficient control can be incurred while confined to broad outlines of departmental estimates.

One major result of the Montgomery-Esman Report is

2. Financial Decision-making

Secondly, the report found that the system of "detailed prior Treasury approval of individual items of expenditure" was causing undue delay and involving top Treasury officials in minor decision-making. The report recommends the use of more delegation of discretionary powers to individual head of department. Three prerequisites were suggested for such an accomplishment: Departmental judgement should be guided by definite policies and procedures there should be sufficiently trained and well-informed financial officers and there should be adequate reporting and inspection facilities.

3. Procurement Service

Thirdly, the report found that millions of dollars could be saved by having a central procurement service with officials familiar in the procurement specification, sources of supply, purchasing methods, marketing conditions and other factors effecting large scale purchasing. The report also found that Treasury control of the purchasing and inventory system was not effective and recommended that the Treasury either relax its control by decentralization of activities or equipt itself to give more rapid and effective service.

4. Intended Effects of the Report

The recommendations of the Montgomery-Esman report have a four-fold improvement for financial administration: (i) The recommendations are intended to direct the attention and efforts of Treasury Officials towards major policy issues.

(ii) It is also expected that by the recommendations, speedier service to departments can be rendered by the Treasury.

(iii) It is to encourage the delegation of discretionary powers to Heads of Departments thus reducing Treasury preoccupation of minor matters.

(iv) It is expected that the recommendation will divert the emphasis from "control" to "facilitation of government's operating programmes".

5. Planning Programming Budgeting System

One major result of the Montgomery-Esman Report is

the introduction of a new budgeting system the Planning, Programming Budgeting System in 1969 on the endorsement of Mr. Thomas H. Mudford, a member of a Harvard Advance Team invited to Malaysia in 1967.

THE MALAYSIAN GOVERNMENT 1964 - 1970 (in million dollars)

Obviously the introduction of this new budgeting system is to check the inefficiencies discovered in the area of financial administration. In the light of present day planned development there is a need to know governmental policies and its direction while at the same time evaluating its cost and work performance. The new budgeting system profess to do just so. This system also evaluates the unit cost, identify the workload and assess the performance of programmes.

Therefore, one can conclude that the Montgomery-Esman report and the introduction of the Planning Programming Budgeting system, has made up for the inadequacy of the Colonial financial administration.

E. Financial Administration in Malaysia is not static

In summing up our analysis of financial administration in Malaysia, one cannot say that it is static. Rather, it is a progressive and innovative.

Whether it be the framework or the practice of financial administration, the government has been sensitive to changes needed in order for financial administration to assume its role as an effective management tool. The stable background provided by the 3 documents has been responsible in directing financial administration towards a more refined stage where new techniques such as the Planning Programming Budgeting system, are employed to enable financial administration to conduct itself more efficiently. Table 3 shows a steady rise in the annual development appropriations which suggests that the size of appropriations will continue to rise.

Up till now financial administration in Malaysia is not static although much more renovation could have been done to increase its efficiency further. At this point of time, there is an established structure and practice well able to cope with present developmental need.

The real question of whether financial administration is static is in the period yet to come when development requires highly technical and sophisticated financial administration techniques in order to manage national development. Will financial administration be able to effectively manage the sizable finance of the future? Only a dynamic financial administration can! For this then, sensitivity to needs and changes are necessary.

TABLE 3

DEVELOPMENT EXPENDITURE OF THE MALAYSIAN GOVERNMENT 1964 - 1970 (in million dollars)

Year	Amount appropriated
1964	721.2
1965	801.1
1966	879.9
1967	835.6
1968	887.9
1969	805.0
1970	961.2

Source: Malaysia, Development Estimates (1964 to 1970)

1. British Policy towards administration in Malaya

In the Malaysian context, the British colonial policy was governed by commercial interests. To this effect then, the British felt that the only kind of administration required was one for the maintenance of law and order. Other areas of governmental administration such as financial, economic and political were implemented to the extent that they paved the way for smooth execution of the Colonial government's commercial-orientated policy.

2. British Officers serving in Malaya

Apparently, the British officers sent to serve Malaya were 'left-overs'. British subjects who completed their pre-entry training were faced with three choices of venue of service. Based on their academic achievements, the top one-third of the trainees chose the Home Service. The second one-third chose the Indian Service while the left-over were given the Eastern Cadetship, serving in Hong Kong, Ceylon and

Malaysia. Consequently the quality of trainees sent over to Malaysia was not as "highly graded" as those in the Home Service.

One point worthy of note is that the British Government at that time had a "generalist" attitude towards training. The training that these civil servants received were intended at developing their **TRAINING FOR FINANCIAL ADMINISTRATION IN THE MCS**

A. Training for Financial Administration during the Colonial period

The establishment of the structure and practice of financial administration is only partially fulfilling the requirements of an efficient financial administration. Adequately trained personnel to man the structure is the other requirement for efficient financial administration. Having thus obtained a background knowledge of the financial administration structure, we can now proceed to evaluate how far training for financial administration has been carried out.

Training during the colonial period was far from impressive. In fact it was static. The major portion of training was in the region of pre-entry general training in the form of academic achievements. This form of training was prevalent in both the British officers serving in Malaysia and the indigenous Malay officers. Many factors contributed to this situation.

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Malaysia. ¹ Consequently the quality of trainee sent over to Malaysia was not as "highly graded" as those in the Home Service.

One point worthy of note is that the British Government at that time, adopted a "generalist" attitude towards training. The training that these civil servants received were intended at developing their mental capacity rather than at providing the necessary skill in specialised areas of administration. Administrative skills, the British government believed, could be developed on the job i.e. through practical experience. One can guess how ill-trained are these colonial officers especially when dealing with financial administration which requires some amount of "breaking in" before an officer can provide efficient service.

The subject-matter or syllabus taught lay more emphasis on law and colonial administration than on any other subject-matter. In the area of finance, training remained static, limited to book-keeping. ²

3. Malay Officers in the administrative service

Training for the indigenous Malay officers was no better off. Under the Malay Administrative Service Scheme, general subjects such as law and English language were taught with a certain amount of book-keeping, enough to enable them to occupy the clerical posts of the colonial Malayan administration. ³ Like their British counterpart, they were to achieve required skills through experience.

Undoubtedly training was limited. But, in view of the British policy in Malaysia and the apparent lack of development programmes, this limited training was adequate to serve the Colonial regime's purposes. Development itself did not appear until the end of the Colonial rule was "around the corner" but by then financial officers, (one could presume) would have acquired enough experience to handle most of the problems that appeared. However, the situation is

¹ British Government, Buckmill Report, 1919

² British Government, Devonshire Report, 1944

³ The Malay College Kuala Kangsar, was the major college providing Secondary education as pre-entry training. In 1939, Raffles College (Singapore) took over most of the training responsibilities.

different since independence in 1957. Development is a major emphasis of the government in its attempt to accelerate economic and social progress. Officers taken in during the Colonial administration are either retired or will be, soon. Recruits have to be taken in and have to be adequately trained if they were to meet the challenge of development and accelerated progress.

B. Co-ordination and Responsibility of Financial Administration Training

The general responsibility of the administration of training is the sole duty of the Public Service Division (formerly the Federal Establishment Office). The Public Service Division is responsible for the provision of training programmes that are required to adequately train officers so that governmental policy and its execution can be carried out effectively. This department is also charged with co-ordinating various training programmes. With the governmental objective of providing training designed to close "the widening of the gap between the knowledge and skill required under modern conditions of rapid change and the knowledge and skill available to the government at present" the Public Service Division plays an important role in achieving such an objective. 4

Its area of responsibility stretches from establishing cabinet or cabinet Committee interest and direction in training policy to the planning, supervision and control of training in administration and management fields. This implies an enormous responsibility on the PSD and it is questionable whether the PSD has been able to assume such heavy responsibility effectively. Very little had been achieved beyond the implementation of the Malayanization policy.

In view of the existing situation, it would be more advantageous if the Public Service Division is reorganised to subject itself to the provision of training on a National basis. This suggestion presumes a national co-ordination committee which can be of valuable assistance to the PSD when carrying out its operations.

C. The Sources of Training

In co-ordinating training programmes, the PSD is faced with establishing the various sources of training available and supervising their operations. It has been pointed out that there are 2 sources of training for financial administration in the Malaysian Civil Service. They are the Federal local training programmes and the Federal Overseas training programmes.

⁴ Development Administration Unit and Staff Training Centre, Training for Development in West Malaysia, Kuala Lumpur, Prime Minister's Department 1969.

1. Local training programmes is another.

The federal local training programmes form the main source of financial administration training for the Malaysian Civil Service. It consists of training conducted by the Government Staff Training Centre and departmental training.

The Government Staff Training Centre provides financial administration training for various levels of governmental officials; from the officers courses to the clerical course. These courses are conducted on a 14-day basis with a maximum of 2 courses per year and accommodating about 20 to 30 trainees per session. ⁵

Departmental training, although it has been repeatedly referred to, is practically non-existent in the sense that it is solely conducted by the departments dealing with finance. But, the Treasury has been co-operating with the STC in carry out the financial training courses. By co-operation with the Staff Training Centre, the Treasury has been able to assist the Centre to introduce more courses, provide more professional training staff and suggest possible areas needing financial administration training. This was started since 1965.

1. Perhaps, the idea of co-ordinating and centralizing training efforts is commendable in that it can eliminate duplication of efforts and maintenance cost.

2. Overseas Training Programmes

The second source of financial administration training is the federal overseas training programmes. In view of the enormous cost of providing overseas training, the government has sparingly used this source of training. In 1970, only 2 training awards were given to the Treasury. ⁶ This suggest that inspite of an annual expenditure of about 5 million dollars, ⁷ the Government cannot spare more officers for financial administration trainings. It was suggested that the cost per head of trainee is one limitation and the inability to spare

⁵ Staff Training Centre, Annual Report, 1965

⁶ Malaysia, The Expenditure Budget of the Federal Government, 1970.

⁷ Montgomery J.D. and Esman M.J., Development Administration in Malaysia Report.

Interview with Enche Majid on 26th April, 1971.

⁹ Refer to appendix III.

them in terms of time involved is another.

Although the use of this source of training is limited the overseas training programmes are intended to facilitate longer training programmes on matters not available locally. For instance, a Treasury official was sent on a one-year course to the United States of America to study the operations of the Planning, Programming Budgeting System.⁸ Such a technical and highly specialised skill is apparently not available in Malaysia at present while the need for it is pressing.

Together, therefore these sources form the bulk of the training for financial administration and it is this area that we will attempt to evaluate.

D. Financial Administration training programmes

There are several factors or elements that constitute the training programmes and they will consume the major portion of the evaluation of the Malaysian Financial Administration training programmes. They are (1) the training syllabus; (2) the training methods employed; (3) the quality and availability of training staff and (4) the availability of trainees.

1. The Syllabus

The Syllabus of a training programme is important in that it is able to show the scope and emphasis put upon the training.

In financial administration training the Government Staff Training Centre has for many years, conducted Division I and Division II training as a general officer's course for financial administration. Appendix 'C' will show the various components of the financial administration syllabus conducted by the Government Staff Training Centre.

a) The STC financial course syllabus make-up

The syllabus make-up is designed to provide a general background knowledge of the scope of financial administration as well as to explain, illustrate and push home some technical skills so necessary in financial administration operations.⁹ While the lectures on "Financial Provisions of the Constitution" and "Government

⁸ Interview with Enche Majid on 26th April, 1971.

⁹ Refer to appendix III.

"Fiscal Policy" outlines the general legal and administrative framework and policy of the government, other lectures on "preparation of estimates" and "government Accounting System" provides the technical working skills so vital in the performance of their duties upon resuming their appointments. It is quite understandable why such a general syllabus is needed. Apparently, the trainees attending these courses come from top Federal or State officials to middle-management officials as well as first-line management officials.¹⁰ On the whole, the syllabus appears to have included lectures on most of the components of the financial administration structure as well as the provision of specialised skills and practical techniques. Since 1970, the Planning Programming Budgeting System also form part of the Syllabus. Undoubtedly, in Malaysia's attempt to convert to this system, there is a need to train financial officers for the ultimate change-over.

b) Its deficiencies

In spite of the large number of subjects lectured by various professionals, one wonders at the accomplishment of such a general overall syllabus of training financial administration. Perhaps, this background information is helpful to the Doctor or the Science Graduate practicing financial administration but to the State Treasurer and the Treasury official, this general "run-down" of information serves no more purpose than to refresh their minds of financial practices. Obviously there is a need to separate the various levels of officials so that the approach to each level is suitably designed to interest the respective levels of trainees. The top management level can do with a brief "run-down" on broad governmental fiscal policy but the middle-management should have a syllabus suitably concentrated on the technical, and principle and theory of the whole operation of financial administration. The basic or first line management level is more conducive to a syllabus based

¹⁰ These observations are based on the STC's Financial course conducted from 19 April 1971 to 1 May 1971. The trainees include a doctor and a science graduate both doing financial work, a former clerk, a state Treasurer and a Treasury official.

on general information - procedural as well as operational. Such a syllabus reorganization will be more profitable and will achieve training goals more effectively than the present syllabus meant for all "officers" providing financial administration services. Although these papers

cannot provide adequate working knowledge of

Seen in the light of time, the present syllabus appears to be cramped up. The number of lectures conducted on a two-hourly basis cannot possibly cover all the 27 subject-matters in a period of 14 days. Either some subject-matters are eliminated on the basis of the quality or level of trainee (top government officials more abroad policy information; 1st line officials, more general procedural-operational information), on course period is increased to allow subjects to be treated more analytically. It is doubtful if a two-hour period is sufficient to illustrate "the Role of the Public Accounts Committee" or "the Government Accounting System" such that the knowledge can be duly illustrated, transmitted to trainees and condensed by trainees.

However, by separating financial administration syllabus into 3 levels of administration, this cramming-up of subject-matter can be avoided. The top officials can be given week-end refresher courses while the middle and first line management officials need at least the two-week course to ensure proper training, preferably a longer training session.

Finally, the syllabus include debates or discussions and evaluation of the course. The idea of having some feedback on the syllabus specifically and the course generally, is very noble and worthy of note. But without the assurance of an aggressive "feeding-in" of information to trainees, the feedback obtained cannot be very helpful to the designing of future financial administration syllabus.

2. Training techniques or methods

c) Syllabus of other STC courses

The second area of analysis is centred around the

training methods. Beside specialist financial administration course, other courses conducted by the Government Staff Training Centre do have lecture on financial matters included in their syllabus. The

Centre, for example conduct lectures on

"the preparation of the estimates" and "audits" Interview with Inche Badaruddin bin Khalid on 21 April, 1971.

is that training that is training effects. of Government Accounts" together with exercises. The Administration and Management course has a paper on "Estimates and Control of expenditure" and the Supervision Course has a paper on "Financial Provision of the Constitution and Parliamentary Supply Procedure."¹¹ Although these papers cannot provide adequate working knowledge of financial administration (and it is not intended to do so) they provide ample opportunity for understanding basic ideas and practices in financial administration.

d) Syllabus of Overseas courses

Coming to the Syllabus of the Overseas courses, one cannot give an account of it with precision simply because they are collected on the basis of opinions of officers who underwent such courses. It can be said that such courses are well-syllabus with the exception that these are not drawn up in line with Malaysian context but rather in line with respective country's problems. Therefore officers trained overseas may have the expert knowledge but will face difficulty in relating these to Malaysia's problems. Of course, not all face these problems but the possibility of it happening remains.

The overseas training session normally consume a longer period of time - from 4 months to a full year. This longer period enable more subjects to be covered and more time and effort can be spent on each subject-matter. Such overseas courses are obviously very well-coordinated and well organised. However, the problem remains in the area of the selection of countries suitable for Malaysians to receive their training objectives. In the event this problem persists, it may be proper to suggest that the PSD introduce a short seminar to reorientate these newly trained officers to the Malaysian situation.¹²

2. Training techniques or methods

The second area of analysis is centred around the training methods employed. The importance of this area

¹¹ Development Administration Unit and Staff Training Centre, op. cit. p. 27

¹² Interview with Inche Majid on 26 April, 1971. Interview with Inche Badaruddin bin Khalid on 21 April, 1971.

is that it is the communication linkage between the training staff and the trainees. A communication link that is suitable can account for the success of a training program while a bad one may have disastrous effects.

a) STC's training techniques

At the Staff Training Centre, the most common method of training is through lectures. The Staff communicate with trainees through this media. This is often supplemented by other training aids such as the use of diagrams to illustrate certain structures or operations. Sometimes visits are conducted to further illustrate points of interest.

Each paper is usually presented in the form of a lecture lasting for two hours. In certain cases especially when the subject is highly technical another two-hour period is provided for discussion and exercise. This method of training is very practical and helps to develop and sharpen analytical minds of members. 13 It is also useful in training senior officers especially the middle-management and top-management groups because it assumes a certain amount of knowledge already acquired. At the first line management level, supplementary teaching methods such as writing research papers are perhaps more useful.

For the first time line management and possibly the middle management groups, there should be other teaching methods introduced so that the 'digesting' of materials communicated will be more effective and the feedback will be more clearly observed. Beside the usual discussion, there should be papers written by trainees based on the reading assignments and library research. In this way, the knowledge communicated can be taken in by trainees in a more dynamic way. They can put this newly-acquired knowledge to a test to see how well they have understood the knowledge communicated. This means of training also provides a more reliable feedback when such papers are marked and assessed and returned to the trainees.

¹³ Ahmad Sallehudin bin Hj. Jamaludin, Planning and Methodology of Public Administration Training.

In this way both trainees and training staff can have a better communication linkage and can strengthen their weaknesses. This method of training is perhaps unsuitable for top-management officials, who, due to their association with policy making will benefit more from pre-arranged personal dialog to clear up their problems.

In addition to all these suggestions of additional teaching aids, there can also be shown films on financial administration problems so as to enable trainees to "experience" such problems and attempt to overcome them. This may not be practicable in a short-run training policy in view of additional cost incurred but in the long run it will not only cover the cost but also it may prove more effective than all other training methods. Besides it is an interesting means of communication.

A quick survey of the SIC library reflect the inadequate number of books on financial administration subjects. This is a clear obstruction for trainees in their efforts to venture further into these subjects. Virtually no book is available in for financial administration in the national language. This inadequacy should be looked into immediately and effective remedies must be introduced soon.

At this juncture, it would be fair to comment on the question of language used. At present the training methods are being conducted in the English media. This presents a problem for officials who will have to conduct their service in the national language in the near future, in accordance with the national interest. The problem may not be pressing now but in future it most certainly will unless efforts are started towards accumulating books in the national language on financial matters, and training staff in this line, so that when we are fully equipped to switch to the national language, problems in training techniques will not arise.

b) Overseas Training Techniques

As far as overseas financial administration training is concerned, the training methods more

b) quality of training staff

or less resemble the local training methods. However, due to their duration advantage, the day discussions are more detailed and more meaningful, subjective in that there is no objective means to determine their quality. Academic qualification. Therefore one can only conclude that it is adequate. But it would serve no purpose in pursuing this factor further because one cannot possibly foresee that any analysis and recommendation will benefit our training for financial administration because it is not within our jurisdiction.

However, speaking generally, the training methods in use presently is very well executed to handle our trainees. But there is still much room for improvement.

3. Availability and quality of training staff

The third area of interest, when studying financial administration training is the availability and quality of training staff. Without training staff, there is no way by which training can prove helpful.

a) Availability of training staff

At the Government Staff Training Centre, the training staff for financial administration is a combination of the Centre's staff and officials invited to present papers in specialised areas such as the "Function of the Treasury" and "the role played by the Public Accounts Committee."¹⁴ For the present training policy, the question of availability of staff does not arise. Professional people called to present papers are easily accessible. However, in view of the future need for financial administration training, obtaining guest speakers will be more difficult. It has been pointed out that in the near future the Centre plans to possess its own training staff.¹⁵ This is very much welcomed for it will eliminate the inavailability of training staff in future.

¹⁴ Staff Training Centre, op. cit. p. 28

¹⁵ Interview with Che Nordin (STC) on 14 August 1971

¹⁶ These observations are based on STC's financial course conducted from 19 April 1971 to 1 May 1971.

b) Quality of training staff

As to the question of the quality of training staff we have presently, the answer to this is very subjective in that there is no objective means to determine their quality. Academic qualification need not necessarily suggest one is suitably adopted to train government officials. Nevertheless, this appears to be the only way of assessing their quality. Practically all STC's training staff are qualified to conduct training sessions. Some of them possess specialised knowledge needed for financial administration training.

c) Availability of guest-speakers

Undoubtedly, with increase in training intake, the pressure on guest speakers will be further increased. If no solution for this problem is found, the availability of guest speakers will be greatly reduced in future. Therefore it may be proper to suggest that the STC either sent its staff to observe and understand the operations of these specialised areas so that they may become specialists in these areas or the centre should recruit specialist from these areas of financial administration to become trainers. Obviously, the cost incurred for the latter's undertaking will be enormous but in the interest of proper training programmes, it appears unavoidable. However this problem is not very pressing in the next few years as it will be in the next few decades if present conditions are allowed to perpetuate.

d) Quality of guest speakers

The guest speakers, on the other hand, are also qualified professional officers. Their official career attest to their quality. Most of them are specialists in their respective areas of financial administration and therefore are qualified to lecture, and discuss problems in their respective areas. However, one cannot qualify them as effective trainers on the basis of their professional qualification. Some professional government officials, despite their immense knowledge in the area failed to illustrate effectively.¹⁶ This loss of knowledge is deeply regretted. Perhaps, it will improve the situation

¹⁶ These observations are based on STC's financial course conducted from 19 April 1971 to 1 May 1971.

of selected speakers be given training or at the very least pointers in presenting their papers. This may appear unfavourable to these guest speakers but in view of their short-comings, it is necessary to embark on such a policy. This is basically a human problem which can be overcome if serious and honest effects are made towards this goal.

Training Staff for overseas courses appear to be adequate in view of the fact that these courses are conducted by the more advanced Western countries - Again there is no apparent use in further analysis of this factor simply because it is beyond our jurisdiction to effect changes.

4. Availability of trainees

Finally, we come to the last but equally important element in financial administration training - the availability of trainees.

The availability of trainees is a problem facing the government Staff Training Centre. There are two factors that limit the availability of trainees.

a) governments personnels structure

Firstly, government Ministries, departments and officers are equipped such that release of officers for training and retraining, especially at the higher levels of management becomes almost impossible. This, it was suggested, was due to the lack of emphasis on the validity of training. Perhaps this stems out of the colonial attitude towards training. But even more logical is that there is just enough personnel manning government machinery but not adequate to allow some to go for training. This factor renders it impossible to release officials without having adverse effects on the government machinery. This is basically a recruitment problem. In financial administration it takes quite a few years before a recruit is familiar with its complex decision making practices. Therefore, the number of officials capable of manning the financial administration machinery of the government is limited.

There is no short-cuts to overcome this problem. The fact remain that the government

machinery will face serious break-downs because of poor performance if there are not enough officers to enable some to go for training. The government however can establish a squad of officials trained in financial administration to act as relief officers while officers are trained. This may require serious "looking into" before it can be implemented. The practicality of this suggestion depends on how well a "working system" based on this line of action can be established.

b) STC's accommodation problem:

Secondly, the limitation of the availability of trainees is due to the accommodation factor which incidentally is financial-orientated. Despite extended accommodation facilities, the (STC) still faces shortage of accommodation. Financial administration courses being residential courses, can afford to accommodate more than a handful of officers per session. (See table 1).

TABLE I

FINANCIAL ADMINISTRATION COURSES 1963-70 FOR
MCS OFFICERS CONDUCTED BY THE GOVERNMENT
STAFF TRAINING CENTRE

Year	Length of Course	Total No. of Course Per Year	Total No. of Trainees (a)
1963	1	2	24
1964	1	2	38
1965	1	2	42
1966	2	2	35
1967	2	2	37
1968	2	2	33
1969	2	2	42
1970	2	2	40

In the light of the Montagu Report (1964) there appears to be (a) - The trainees are officials at various levels of examination in the administration.

Source: Staff Training Centre, Annual Report (from 1964 to 1970).

One must realise that the Staff Training Centre is charged with training various areas of administration and therefore can afford only limited accommodation for financial administration trainees. It is commendable that STC can maintain the present number of trainees in spite of their other commitments.

In respect of this problem, the only solution for the government is to provide accommodation facilities. A quick survey of the Staff Training Centre's location suggest very limited extension is possible in future. This problem can be overcome if the centre is provided with the necessary funds to maintain accommodation by renting living quarters in the surrounding residential areas. Transportation to and from the centre and other facilities can also be made available.

c) Limitation of trainees for overseas courses

With relevance to overseas courses, the major limitation faced in obtaining trainees, is the heavy cost of financing these officers. The limitation is also due to the impossibility of releasing officers to be trained for such long periods. In 1969 only 5 officers from the Treasury were sent for these course while in 1970, the number dropped to 2.¹⁷ However, the problem is not very acute. It is the government's policy to send officers for overseas training for courses not available locally. Therefore, there is, no need to send a "plane-ful of trainees" if the few we have sent for such trainings can provide valuable assistance and guidance in shaping the local courses to meet Malaysia's financial administration training needs.

From this analysis of training for financial administration there is evidence of much need for renovation of training policy and programs. Since 1969, some renovation has taken place although it is too soon to evaluate their performances.

E. Recent Developments in Financial Administration Training

In the light of the Montgomery-Esman Report (1966), there appears to be inadequacy in the present system of post-probationary examination in that these examinations are devoted to subjects

¹⁷ Malaysia, Expenditure Budget of the Federal Government.

appropriate to the work of the district officer rather than to that of future policy-makers. ¹⁸ This lack of background in Public Administration generally and financial administration specifically is the result of the recruitment of graduate officers without any foundation in public administration. The Montgomery-Esman report (1966) recommended that the Government assist the University of Malaya in developing a Diploma Course in Public Administration to provide the necessary background knowledge.

1. Diploma Course in Public Administration

Started since 1969, the course is still in its early stage. The course, a one-year course, is not intended to be rigorous equivalent to that of a Master's Degree but to provide trainees with the necessary academic and practical training. Therefore, the trainees spent 8 months to complete one academic session at the University of Malaya and another 4 months at the Government Staff Training Centre where the practical part of the Course is undertaken.

Although this Diploma Course is intended to cater more for overall Public Administration training, it is also a mark of development in financial administration. The course is designed to reflect an Economic and financial nature as well. The area of the Budgetary process is dealt with giving trainees an insight into the procedure, preparation, implementations and control of the Budget. Subjects on Public finance and Revenue Administration are also included which further strengthen trainees' grasp of financial administration. This academic training is supplemented by practical training in financial administration conducted by the Government Staff Training Centre.

Evidently, the government's move in the matter is indeed very wise for it equipt the trainees with not only the academic foundation but the practical experience in dealing with finance. This is a more effective way of training trainees to cater for financial administration. One can venture to say that officers recruited in to the Malaysian Civil Service are not necessarily trained for financial administration. This Diploma Course gives all the opportunity for recruits to develop techniques and practices in financial administration. Beyond this it is left to the trainees to make concrete their newly-found knowledge by practising them. In this way, the financial officers we recruit will not be as inexperienced and out of place as those of the past.

However, there is a limitation to the number of students

¹⁸ Montgomery J.D. and Esman M.J., op.cit. p. 28

attending such courses. This limitation must be removed as soon as possible so that the full impact of the course will be felt.

2. Proposed establishment of NIDA

In the same light of development there is a proposal to establish a "National Institute of Development Administration" by 1971. This implies an increase in the scope of the Staff Training Centre's function as well as the intensification of its training programme. (NIDA will replace the Government Staff Training Centre when its proposal is implemented).

It has been suggested that this new nucleus of training will revolutionise training in all areas including financial administration.¹⁹ The NIDA proposal is an attempt to establish a network of training for development on a national basis. Beyond a doubt, such a proposal will be most effective in streamlining the present training policy and programme. It is also implied by various officials interviewed that NIDA will organise training on separate basis e.g. division of financial administration training or a school of financial administration training.

On the basis of such separate training programmes, it appears that the burden of planning for various programmes by the same central organization as well as the implementation responsibility will be decentralized. To this effect, there appears to be an attempt to have more effective policy and programme for individual area of training.

However, due to the fact that NIDA project has not been officially released, one cannot say for certain of the actual effectiveness of their programs. One can only venture to project one's picture of the proposal.

F. Training for Financial Administration in Future

There is evidence to suggest that training for financial administration is gathering momentum for a more rigorous and intensive assault on financial administration in Malaysia. This dynamic

¹⁹ Interview with Enche Md. Salleh bin Katibkoyan on 7th

move can be attributed to the realization of the importance of training for Public Administration generally and the usefulness of training for financial administration specifically. The present training programme is barely sufficient to cater for financial administration and without conscious move to renovate and improve its training policies and programme, one may doubt of its usefulness in future. These efforts are being mobilized towards establishing more advanced and effective financial administration training policy and programmes. How effective this will be will depend on how well organised is the training policy and programmes in relation to economic and social development of the nation.

After having analytically discussed the training for financial administration in the Malaysian Civil Service, one can conclude that there are two areas of importance.

1. Financial administration

No analysis of the training for financial administration can be considered complete without understanding financial administration itself. The chapter on financial administration in Malaysia is devoted to providing explication and analytical accounts of the components of financial administration in the Malaysian context. We have seen how and how far financial administration development in Malaysia has taken place. We have attempted to evaluate its adequacy under various existing conditions and also we have attempted to show whether it is dynamic or static.

It is only by analytically discussing these components and practices in financial administration that we are able to establish a concrete picture of financial administration while at the same time evaluating the problems it faces. We have found how the colonial regime had left us with various social and economic problems for which financial administration is a necessary tool in solving them. We have learnt how the independent government of Malaysia attempts to rebuild the financial administration foundation through establishing legal and administrative framework. All these factors that we have evaluated suggests that financial administration in Malaysia is not static but rather it is dynamic. It has faced challenges of changes and it has survived them all. In fact, the introduction of Planning Programming Budgeting System in 1969 highlights all the dynamic changes that financial administration has encountered.

As for the future of financial administration we can foresee it becoming a more analytical tool emphasizing precision in its operations. But this projection is based on the assumption that financial administration

structure and practices are continually given periodic "face-lifts". Unfortunately such "face-lifts" are few and too far apart. Therefore it should be suggested that more analytical research efforts should be concentrated in the area.

CHAPTER IV

2. Training for financial administration

CONCLUSION

A. Summary

After having analytically discussed the training for financial administration in the Malaysian Civil Service, one can conclude that there are two areas of importance.

1. Financial administration

No analysis of the training for financial administration can be considered complete without understanding financial administration itself. The chapter on financial administration in Malaysia is devoted to providing empirical and analytical accounts of the components of financial administration in the Malaysian context. We have seen how and how far financial administration development in Malaysia has taken place. We have attempted to evaluate its adequacy under various existing conditions and also we have attempted to show whether it is dynamic or static.

It is only by analytically discussing these components and practices in financial administration that we are able to establish a concrete picture of financial administration while at the same time evaluating the problems it faces. We have found how the colonial regime had left us with various social and economic problems for which financial administration is a necessary tool in solving them. We have learnt how the independent government of Malaysia attempts to rebuild the financial administration foundation through establishing legal and administrative framework. All these factors that we have evaluated suggests that financial administration in Malaysia is not static but rather it is dynamic. It has faced challenges of changes and it has survived them all. In fact, the introduction of Planning Programming Budgeting System in 1969 highlights all the dynamic changes that financial administration has encountered.

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structure and practices are continually given periodic "face-lifts". Unfortunately such "face-lifts" are few and too far apart. Therefore it should be suggested that more analytical research efforts should be concentrated in the area.

2. Training for financial administration

In the main chapter i.e. the training for financial administration the findings show that despite the efforts of the Government Staff Training Centre to cater for the required training various flaws have been found. Nevertheless it is most appropriate to commend on the efforts of the centre and its officials who have contributed so much inspite of the problems and complications that they face.

We have found how the centre attempts to incorporate a large number of subjects into a syllabus meant for a short period of time. They have also introduced various teaching methods available within their limited means. Teaching or Training Staff are recruited to meet this objective and when necessary and practical, guest-speakers, specialists in their respective areas are obtained despite much "red-tape". These are bold attempts in view of the problems they face.

Nevertheless, the fact remained that more reorganization is needed to enable financial administration training courses to be able to handle larger intakes of trainees in future. Such reorganizations will also help to provide a more effective feedback which is so vital if reforms are to be undertaken.

Therefore, on the basis of these findings, some recommendations are forwarded in the hope that they will be useful in giving financial administration the necessary face-lift that will in turn re-vitalize the trainees with new tool and techniques and new spirit and vigor in performing their duties.

B. Recommendations

In the area of financial administration structure and practice the following recommendations are forwarded.

- (1) There should be more conscious efforts on the part of the government and the interested general public to conduct research within financial administration. This will keep financial administration in good shape as well as to allow new techniques and innovations to be introduced, if and when appropriate.

(2) On the basis of recommendation (1), the Government should charge the Public Service Division with the responsibility of conducting these periodic checks and to forward official reports on the practice and performance of financial administration.

(3) The PSD as the central controller of Training programmes for financial administration must have more feedback, official or otherwise, which can help the identification of problem areas in financial administration.

(4) The Ministry of Finance in conjunction with other relevant bodies e.g. PSD and STC must encourage more interest in financial administration. This recommendation is aimed at bringing more unofficial checks from the general public as well as more interest from potential recruits into the Malaysian Civil Service.

Specifically in the area of training for financial administration, the recommendations are:

(1) The government should as soon as possible establish an effective Central Control. The proposed Training Directorate should be empowered to render its services as soon as possible so that co-ordination of training efforts will not be duplicated and general responsibility of training will be more effectively undertaken.

(2) There should be a new approach to training for financial administration. Training must be done on the basis of the 3 management levels in view of the highly technical practices of financial administration. The new training programme should be formulated on these 3 levels:

(a) The top management level - courses should be suitably designed to cope with their training.

(b) The Middle-Management level - courses should be longer and more detailed with emphasis on technical practices of financial administration.

The validity of these recommendations will depend

on their (c) The first line management level - courses should be for a longer period with emphasis on procedural aspects of financial administration. The NIMA proposal, it will be most helpful if these recommendations are considered and implemented.

(3) More training awards should be given for training staff in order to enable them to be more equipped to face financial administration training. adequate and measures must be taken to improve financial administration training if it is to be effective.

(4) Related to recommendation (3) more intake of training staff must be undertaken periodically in view of expected increase in training for financial administration.

C.

(5) There should be more efforts towards introducing interesting training methods as well as effective ones. This recommendation may induce more interest in training and more "digestion" of knowledge communicated. should be given for future studies in financial administration.

(6) The intake of recruits must be increased by providing more possibilities for top and middle management levels to be released for training. Re-training is vital to ensure dynamic development of financial administration. There are other levels of training at the State or Federal level. These studies can also be made of the same topic but employing a different approach e.g. the

(7) In line in the previous recommendation (Rec. 6), accommodation limitation should be eliminated. Accommodations can be obtained on rental basis.

(8) Periodic reports should be encouraged to evaluate financial administration training in view of the limited annual reports of the government Staff Training Centre. The Central co-ordinating body should undertake the responsibility. But this problem should be solved by more studies to help it improve.

(9) Heads of Departments should be made to realise the importance and value of training so that officers can be encouraged to participate in these programmes and to profit from these training sessions. The limited ways prove us in financial administration.

(10) Where possible, more overseas training awards for financial administration should be encouraged especially when new techniques and practices, necessary for financial administration development, are not available locally.

The validity of these recommendations will depend

on their practical value. However, it is quite obvious that a majority of these recommendations require little or no additional cost at all. Others, do imply heavy cost but in view of the NIDA proposal, it will be most helpful if these recommendations are considered and implemented where necessary.

It is our conclusion that financial administration training is barely adequate and measures must be taken to improve financial administration training if it is to cope with the dynamic advances made in financial administration structure.

C. Future Research

Financial administration is definitely wide in scope and therefore many other areas can be covered by future researches, beside training for it. In fact, since so little has been done in terms of research in this area, it represents a "dark area" in the Malaysian administrative sphere. Encouragement should be given for future studies in financial administration.

Specifically, in the area of training for financial administration this study has been limited to one specific level. There are other levels such as training for financial administration at the State or local levels and Divisions III and IV at the federal level. These are potential areas of future research. Studies can also be made of the same topic but employing a different approach e.g. the behavioral approach. Therefore, even in this area, more studies should be encouraged.

Perhaps, at present (and possibly in the near future) there is an acute lack of reading materials on financial administration generally and virtually no reading material on the Malaysian context. But this problem is partially eased by the availability of government documents although some are hardly available. Nevertheless, the problem should not be exaggerated for financial administration need more studies to help it improve.

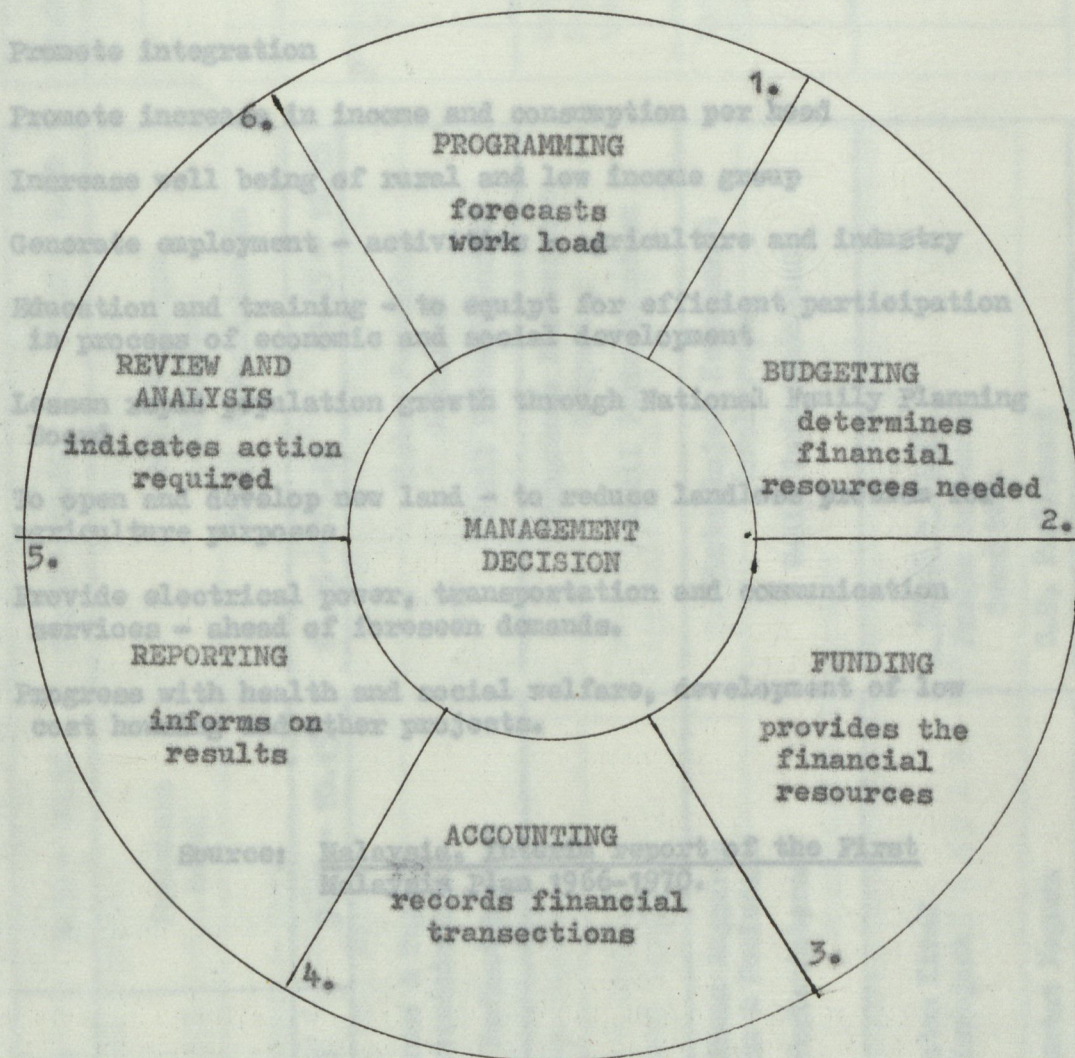
Finally, it is hoped that this study will in some limited ways prove useful towards contributing more information on financial administration as well as to offer creative suggestions to better our financial administration.

Source: United Nations, Programme and Performance Budgeting System, UN Manual.

APPENDIX I

THE FINANCIAL MANAGEMENT CYCLE

OBJECTIVE OF 1ST MALAYSIAN PLAN (1966-70)



Source: United Nations, Programme and Performance budgeting System, UN Manual.

APPENDIX II

OBJECTIVE OF 1ST MALAYSIA PLAN (1966-70)

Promote integration

Promote increase in income and consumption per head

Increase well being of rural and low income group

Generate employment - activities - agriculture and industry

Education and training - to equipt for efficient participation in process of economic and social development

Lessen rapid population growth through National Family Planning Board

To open and develop new land - to reduce landless problem for agriculture purposes

Provide electrical power, transportation and communication services - ahead of foreseen demands.

Progress with health and social welfare, development of low cost housing and other projects.

Source: Malaysia, Interim report of the First Malaysia Plan 1966-1970.

8.30 - 9.30	Ulasan Kursus	9.30 - 10.30	Pembukaan Resmi	11.00 - 12.00	12.00 - 1.00
				Dasar Kewangan Kerajaan	
				Wakil Perbendaharaan	
8.15 - 9.15		9.15 - 10.15		10.45 - 11.45	11.45 - 12.45
				Sistem Pembelian Kerajaan	
				Wakil Perbendaharaan	
				Programme Performance Budgeting	
				Wakil Perbendaharaan	
				Perbelanjaan Kerajaan & Kawalannya	
				Wakil Perbendaharaan	
				10.45 - 12.15	
				Public Accounts Committee	
				S.U. Parliament	
				Audit of Government Accounts	
				Juru Odit Negara	

19.4.74
ITHININ

20.4.74
THALATHA

20.4.74
THALATHA

21.4.74
RAJU

22.4.74
KHANIS

23.4.74
JUMA'AT

24.4.74
SABTU

8.15 - 9.15	9.15 - 10.15
Paedah Persaraan Wakil J.P.A.	Bank Negara - Govt. Banker & Adviser Wakil Bank Negara
	Chukai Pendapatan
	Ketua Pegawai Hasil Dalam Negeri
	FIDA - Capital Investment Committee
	Pengurus
	Creativity in Management
	NILAIAN KURSUS

26.4.71
ITHIN

27.4.71
THALATHA

28.4.71
RABU

29.4.71
KHAMIS

30.4.71
JUMA'AT

1.5.71
SABTU

10.45 - 11.45	11.45 - 12.45
Kumpulan Wang Sekerja Wakil K.W.S.	Local Govt. Finance Wakil Kem. Ker. Tempatan
	Financing of Developments Projects
	Wakil Perbendaharaan
	Role of Bank Pertanian in Agricultural Development
	Pengurus Bank Pertanian

2.00 - 38

21. Central Banking in Relation to Government

22. Organization and Methods

23. Implementation of Government Policy

24. Financing and Planning of Industrial Development

"SYLLABUS FOR FINANCIAL COURSE CONDUCTED BY THE
GOVERNMENT STAFF TRAINING CENTRE."

1. Financial Provisions of the Constitution

2. Government Fiscal Policy

3. Organization and Functions of the Treasury

4. Discussion on Financial Procedure Ordinance and Financial
Provisions of the Constitution

5. Problems of State Treasury and Treasury Regulations

6. Problems Individual(s)

7. Public Expenditure and its control

8. Planning of the First Malaysian Plan

9. Preparation of Estimates

10. Financing of the First Malaysian Plan

11. Government Accounting System

12. Visit(s)

13. Audit of Government Accounts

14. Public Accounts Committee and Role Play

15. Government Purchasing Policy

16. Management of Stores

17. Pension

18. E.P.F.

19. Debate

20. Finance of Local Government

21. Central Banking in Relation to Government
 22. Organization and Methods
 23. Implementation of Government Taxation Policy
 24. Financing and Planning of Industrial Development
 25. Functions of the Tariff Advisory Board
 26. The Importance of Financial Administration Training.
 27. Evaluation
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Straits Times Article on the Second Malaysia Plan.

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