

MEDIA STATEMENT

IDEAS welcomes equal allocation for all members of parliament

Kuala Lumpur, 28 September 2021 - The Institute for Democracy and Economic Affairs (IDEAS) welcomed equal allocations to be provided to both government and opposition MPs over the next four months, as recently announced by YB Datuk Mastura Mohd Yazid (Minister in the Prime Minister's Department). The special allocations would be given over the period of September to December, and would be in addition to, and complementing, the allocations provided by the government under the 5 Year Malaysia Plan.

IDEAS noted that such a move was in line with the Prime Minister's commitment towards institutional reforms as laid out in the Memorandum of Understanding on Transformation and Political Stability (MoU-TPS), which had been recently signed between the federal government and the Pakatan Harapan coalition.

Commenting on the announcement, IDEAS Senior Manager, Sri Murniati Yusuf, stated, "This move is commendable. However, the government did not disclose to the public the exact amount to be allocated to MPs in the next three months. Since the funding will be used for community related expenses, we urge the government to disclose the allocated amounts."

"Secondly, the announcement only provides a very short-term solution. It is unclear whether the MPs will be given equal allocations in the next budget. If the government does intend to transform parliament, it is advisable to at least provide a similar commitment in the next 2022 budget. In order to ensure equitable CDFs are sustainable over a longer term period, the government should also legislate a CDF Act in Parliament, which mitigates any leadership or political changes in the future."

"Additionally, the government can implement immediate-term policy recommendations put forward in a policy paper that was jointly published by IDEAS and BERSIH in March 2021, titled "Removal or Reform: Charting the Way Forward for Malaysia's Constituency Development Funds".

The policy paper stated that the immediate goal should be creating transparent Constituency Development Funds (CDFs) that are distributed equitably and with accountability among MPs. Among the recommendations which the think tank pushed for included:

- To make CDF disbursement equitable. If different allocations are to be given to the MPs, the government should disclose the distribution formula and the exact amount to be allocated to each MP;
- To disclose the total amounts allocated for these purposes at the start of the budget year;
- To name the allocation properly in relevant government documents, especially in the publicly available budget documents such as the “Anggaran Perbelanjaan Kerajaan Persekutuan”. If sources for the allocations come from the budget of several ministries, the sources should be stated clearly;
- To create a platform that facilitates close coordination between agencies responsible for federal and state CDF disbursement. This will include ICU at the federal level and Pejabat Daerah at the state level, and;
- To require all MPs to publicly report their usage of their respective allocations.

Therefore, IDEAS opines that while the announcement is commendable, a detailed process of CDF disbursement is needed to ensure transparency and accountability of the MPs and the recipients.

In the long-term, IDEAS stated that they looked forward to the full implementation of the MoU-TPS. In addition, the think tank reiterated six other institutional reforms that Malaysia urgently requires (and which the think tank had laid out in a previous press statement dated 26 August):

- Implementation of the National Anti-Corruption Plan (NACP) to combat corruption;
- Tabling the Political Financing Bill in Parliament;
- Separating the roles of the Attorney-General and the Public Prosecutor;
- Increasing the independence of the MACC by elevating it to a constitutional body;
- Ensuring that the appointment process of key public officers and heads of government-linked companies is conducted transparently and independently, and;
- Empowering an independent judiciary to adjudicate on all cases of political corruption.

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About IDEAS

The Institute for Democracy and Economic Affairs (IDEAS) is a nonprofit research institute, dedicated to promoting solutions to public policy challenges, focussing on three overarching missions – advancing a competitive economy, ensuring trust in institutions and promoting an inclusive Malaysia. IDEAS is Malaysia's first independent think tank, free of personal interests and partisan influences. For more information, visit www.ideas.org.my.

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