

Dear Readers

Labour Day is typically celebrated around the world as an annual tribute to the



contributions workers have made to the strength, prosperity and well-being of a country.

In Malaysia, the decision to observe 1 May as a Labour Day started in 1972 following an announcement by the late Malaysian Deputy Prime Minister Tun Dr Ismail. He hoped that the decision to observe May 1 as a national holiday would encourage Malaysian workers and labour movements to be together towards achieving the national aspiration.

More than three decades later, Labour Day is still celebrated in Malaysia. The role of workers is certainly becoming more important amidst the current economic challenges as their commitment and dedication, as well as staying united can determine the survival and sustainability of organisations and companies in the long run. So let's celebrate Labour Day this year with our hearts filled with appreciation to all the contributions from our workers thus far to the country.

Dagang Net may charge customers flat rate

Monday 6 April 2009, New Strait Times, Business Times - Logistics

DAGANG Net Technologies Sdn Bhd, the country's sole provider of Customs and trade facilitation solutions, is considering charging users of its SMK-Dagang.Net system a flat rate, regardless of the number of goods they declare or clear in a manifest.



Zaharin says customers believe that flat-rate billing has no hidden fees.

Its chief operating officer Zaharin Ali said the company may change the current pay on a per kilobyte practice to a flat rate pricing depending on the outcome of negotiations now under way with the government.

For the last one year, Dagang Net has begun talks with the government to look into helping users lower their costs which include the possibility of lowering its rates for usage of services on its SMK-Dagang.Net system.

"Some customers believe that flat-rate billing is a more customer-friendly way of charging, with no hidden fees. They can get exactly what they asked for, no more and no less," Zaharin told Business Times in an interview.

Although using a flat-rate pricing can seem to be a good deal since it lets users send their documents electronically for one price, it is less beneficial for those whose documents are thin.

"An example is if I were to import an artifact, it would require just one page of documentation. But if I were to import spare parts for automotive vehicles, it could run into hundreds of pages. In such instances, charging on a per kilobyte basis is fairer," Zaharin explained.

Nevertheless, the decision whether to maintain the current billing practice or switch to a

flat-rate pricing lies with the government.

Dagang Net, a subsidiary of TIME Engineering Bhd, has been charging RM1.20 per kilobyte for usage of services on its SMK-Dagang.Net system since its inception in 1994.

SMK-Dagang.Net allows users such as exporters, importers, port operators, shipping agents and freight forwarders to declare and clear their goods and pay duties with 22 permit issuing government agencies including the Royal Malaysian Customs electronically.

Dagang Net today processes more than 275 million electronic transactions per year and about RM1.8 billion worth of Customs duty payments a year, connecting over 5,000 users.

Zaharin said the business for electronic data interchange information and services still holds huge potential in the country, "because whatever documents you have now on paper have got a potential to turn into electronic files".

"There are still thousands of papers lying around us. If you just take a fraction of that and turn it into an electronic version ... there is still a lot of potential for us to do that.

"However, we are aware that companies will assume a more cautious stance towards their information technology spending amid the current economic slowdown," he added.

 **READING CORNER**

Productivity and efficiency with B2G solutions

Central and local governments have been recognised as the biggest purchasers in domestic markets and are attracting considerable attention as potential markets. Government procurement market is a public market formed through government's purchase of products and service to perform its essential day-to-day business.

Despite such market potential, business to government (B2G) e-commerce is still in its infancy in most countries. It involves an electronic form of interaction between government and the business community.

The concept that businesses and government agencies can use central Web sites to exchange information and do business with each other more efficiently than they usually can off the Web, can certainly drive productivity and reduce wastage in terms of time and resources.

For example, a Web site offering B2G services could provide businesses with a single place to locate applications and tax forms for one or more levels of government (city, state or province, and country); provide the ability to send in filled-out forms and payments; update corporate information; request answers to specific questions; and so forth.

B2G may also include e-procurement services, in which businesses learn about the purchasing needs of agencies and for the latter to request proposal responses. B2G may also support a business and an agency coordinating work on a contracted project by sharing a common site to coordinate

online meetings, review plans, and manage progress. B2G may also include the rental of online applications and databases designed especially for use by government agencies.

In many cases, B2G networks allow businesses to bid on government requests for proposals (“RFPs”) in a reverse auction fashion. Public sector organisations post tenders in the form of RFP's, request for information (“RFIs”), requests for quotations (“RFQs”), for example, and suppliers respond to them.

Government-owned or government-appointed companies such as port authorities could provide an electronic means of paying port costs and clearing goods through the port. This system is designed to allow traders and agents to submit customs declarations electronically. There are also online tendering portals that enable governments to attract enterprises to e-commerce.

For B2G to be a success, there is a number of elements that has to be put in place.

Firstly, there must be infrastructure and access. Infrastructure has to be scalable and access reliable. Also, the necessary solutions on which B2G transactions can take place is another requirement.

The legal framework should also be in place so that legal and consumer obligations are met. It is also to safeguard intellectual property and ensure proper trade practices. In addition, security measures should be deployed to avoid security breaches, fraud and incidents like spam.

Lastly, IT user training – be they from businesses or government agencies – is essential so that B2G transactions can proceed without glitches.