



LAWS OF MALAYSIA

Act 798

LOCAL AUTHORITIES (CONDITIONS OF SERVICE) ACT 1964

(Revised—2017)

REVISED BY
THE COMMISSIONER OF LAW REVISION, MALAYSIA
UNDER THE AUTHORITY OF THE REVISION OF LAWS ACT 1968
2017

**LOCAL AUTHORITIES (CONDITIONS OF SERVICE)
ACT 1964**

Revised up to 1 November 2017

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Act 1968 [*Act I*] 15 November 2017

First enacted in 1968 as Act of Parliament No. 9 of 1964

LAWS OF MALAYSIA

Act 798

LOCAL AUTHORITIES (CONDITIONS OF SERVICE) ACT 1964

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LAWS OF MALAYSIA

Act 798

LOCAL AUTHORITIES (CONDITIONS OF SERVICE) ACT 1964

An Act to regulate the conditions of service of officers and servants of local authorities and to provide for a provident fund or funds for such officers and servants.

[30 January 1964]

Short title and application

1. (1) This Act may be cited as the Local Authorities (Conditions of Service) Act 1964.

(2) This Act does not apply to Sabah and Sarawak.

Interpretation

2. In this Act, unless the context otherwise requires—

“local authority” means any local authority in a State declared under section 3;

“Minister” means the Minister charged with the responsibility for local government;

“provident fund” means a provident fund established under section 5;

“Treasury” has the meaning assigned to it by the Financial Procedure Act 1957 [*Act 61*].

Local authority to be subject to this Act

3. The Ruler or Yang di-Pertua Negeri may, by order published in the *Gazette*, declare any local authority in the State to be subject to this Act.

Power of Minister to regulate conditions of service

4. (1) The Minister may, with the approval of the Treasury, make regulations governing the terms and conditions of service of officers and servants of local authorities.

(2) Without prejudice to the generality of subsection (1), regulations made under this section may provide for—

- (a) the qualifications of officers and servants of local authorities;
- (b) the scales of the salaries, fees and allowances payable to officers and servants of local authorities;
- (c) the periods of service of officers and servants of local authorities;
- (d) the transfer of officers and servants of local authorities;
- (e) the exercise of disciplinary control over officers and servants of local authorities, including the powers of suspension, fine, dismissal and reduction in rank of such officers and servants; and
- (f) the conditions under which gratuities or compassionate allowances may be paid to officers and servants of local authorities injured, or to the surviving relatives of any such officers and servants killed, in the execution of their duty.

Power of Minister to establish provident fund

5. (1) The Minister may by order provide for—

- (a) the establishment, maintenance, administration, audit and winding-up of a provident fund for the benefit of officers and servants of local authorities; and

- (b) the arrangements between two or more local authorities for the establishment, maintenance, administration, audit and winding-up of a joint provident fund for the benefit of such officers and servants.

(2) Any order made under subsection (1) may, notwithstanding section 20 of the Interpretation Acts 1948 and 1967 [*Act 388*], be made to operate retrospectively to any date, whether before or after the commencement of this Act.

Provident fund not assignable or transferable, etc.

6. No gratuity, allowance or other payment payable out of any provident fund nor any right or interest acquired by any person thereunder shall be assignable or transferable or liable to be attached, sequestered or levied upon for or in respect of any debt or claim other than a debt due to a local authority.

Payment of moneys out of provident fund to deceased persons

7. (1) On the death of any person, any moneys paid out of any provident fund shall be deemed to be impressed with a trust in favour of the persons entitled to the moneys under the will or intestacy of such deceased person.

(2) Any moneys paid under subsection (1) shall not be deemed to form part of the estate of the deceased person or be subject to his debts.

(3) Any person may by will or by a memorandum under his hand appoint a trustee or trustees of the moneys payable on his death out of any provident fund, and may make provision for the appointment of a new trustee or trustees, and for the investment, of such moneys.

(4) If at the time of the death of any person or at any time afterwards there is no trustee of any of moneys referred to in subsection (3), or it is expedient to appoint a new trustee or trustees, then and in any such case a trustee or trustees or a new trustee or trustees may be appointed by the High Court or a Judge of the High Court.

(5) The receipt of—

- (a) a duly appointed trustee or trustees; or
- (b) where no trustee has been appointed and no written notice of such appointment has been given to the local authority, the legal personal representative,

of a deceased person shall be a discharge to the local authority for any moneys payable on his death out of any provident fund.

Discretion of local authority to forfeit contribution to the provident fund upon dismissal

8. Any officer or servant of a local authority who is a contributor to any provident fund shall forfeit at the discretion of the local authority all or any part of his contribution to the fund and the interest accrued on such contribution and the accumulations of the contribution and interest as the local authority thinks fit if—

- (a) he is dismissed from the service of the local authority for fraud, dishonesty or misconduct which involves pecuniary loss to the local authority; or
- (b) he retires from or resigns his office with intent to escape dismissal in consequence of such fraud, dishonesty or misconduct.

Powers and duties conferred or imposed under this Act are in addition to powers and duties under other written law

9. All powers and duties conferred or imposed on a local authority by or under this Act shall be in addition to and not in derogation of any other powers and duties conferred or imposed on such local authority by any other written law.

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LOCAL AUTHORITIES (CONDITIONS OF SERVICE) ACT 1964

(Revised—2017)

*Particulars under paragraphs 7(ii) and (iii) of the Revision of
Laws Act 1968 [Act 1]*

LIST OF AMENDMENTS

Amending law	Short title	In force from
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-NIL-

LIST OF LAWS OR PARTS THEREOF SUPERSEDED

No.	Title
Act No. 9 of 1964	Local Authorities (Conditions of Service) Act, 1964

LAWS OF MALAYSIA

Act 798

**LOCAL AUTHORITIES (CONDITIONS OF
SERVICE) ACT 1964**

(Revised—2017)

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
-NIL-		

LAWS OF MALAYSIA

Act 798

LOCAL AUTHORITIES (CONDITIONS OF SERVICE) ACT 1964

(Revised—2017)

LIST OF AMENDMENTS MADE BY THE COMMISSIONER OF LAW REVISION UNDER SECTION 6 OF THE REVISION OF LAWS ACT 1968 [ACT 1]

Provision	Particulars of amendments	Authority for amendment
Table of contents	Table of contents under the heading “ARRANGEMENT OF SECTIONS” inserted	paragraph 6(1)(vii)
Throughout the Act	1. Word “subsection” substituted for “sub-section” 2. Shoulder note substituted for marginal note 3. Full stop at the end of shoulder notes omitted	paragraph 6(1)(xvi) paragraph 6(1)(xxiv) paragraph 6(1)(xvi)
Effective date	Words “ <i>30 January 1964</i> ” substituted for “ <i>30th January, 1964.</i> ”	paragraph 6(1)(iii)
Enacting clause	Omitted	subparagraph 6(1)(i)(f)
subsection 1(1)	Comma before the word “1964” omitted	paragraph 6(1)(xvi)
subsection 1(2)	1. Words “does not apply” substituted for “shall not apply” 2. Words “the States of Singapore,” omitted	paragraph 6(1)(iii) paragraphs 6(1)(xviii) and (xvi)
section 2	1. Words “, unless the context otherwise requires” inserted after the word “Act”	subparagraph 6(1)(iv)(a)

Provision	Particulars of amendments	Authority for amendment
	2. In the interpretation of “Minister”, word “the” inserted before the word “responsibility”	paragraph 6(1)(xv)
	3. Interpretation of “provident fund” inserted after the interpretation of “Minister”	paragraph 6(1)(xxiv)
	4. In the interpretation of “the Treasury”— a. word “the” before the word “Treasury” omitted b. words “Financial Procedure Act 1957 [<i>Act 61</i>]” substituted for “Financial Procedure Ordinance, 1957 [<i>62 of 1957</i>]”	subparagraph 6(1)(iv)(a) paragraph 6(1)(xix)
section 3	1. Shoulder note “ Local authority to be subject to this Act ” inserted	paragraph 6(1)(xxiv)
	2. Words “Yang di-Pertua Negeri” substituted for “Governor of a State”	paragraph 6(1)(xvii)
	3. Commas inserted after the words “may” and “ <i>Gazette</i> ”	paragraph 6(1)(xvi)
	4. Word “published” substituted for “notified”	paragraph 6(1)(iii)
	5. Words “the provisions of” omitted	paragraph 6(1)(xxi)
section 4	1. In the shoulder notes, words “ conditions of service ” substituted for “ Conditions of Service ”	paragraph 6(1)(xxiv)
subsection 4(1)	2. Words “with the approval of the Treasury” transposed after the word “may” and commas inserted before the words “may” and “Treasury”	paragraphs 6(1)(xiii) and (xvi)
subsection 4(2)	1. Words “the provisions of” omitted	paragraph 6(1)(xxi)

Provision	Particulars of amendments	Authority for amendment
	2. Word “and” inserted at the end of paragraph (<i>e</i>)	paragraph 6(1)(xxiv)
subsection 5(1)	Word “and” inserted at the end of paragraph (<i>a</i>)	paragraph 6(1)(xxiv)
subsection 5(2)	1. Renumbered as section 6 with consequential alterations made	paragraphs 6(1)(xii), (xxi) and (xxiv)
	2. Shoulder note “ Provident fund not assignable or transferable, etc. ” inserted before the new section 6	paragraph 6(1)(xxiv)
subsection 5(3)	1. Divided and renumbered as subsections 7(1) and (2) with consequential alterations made	paragraphs 6(1)(xii), (xiii) and (xxiv)
	2. Shoulder note “ Payment of moneys out of provident fund to deceased persons ” inserted before the new section 7	paragraph 6(1)(xxiv)
subsection 5(4)	1. Renumbered as subsection 7(3) with consequential alterations made	paragraphs 6(1)(xii), (xxi) and (xxiv)
	2. Words “new trustee or trustees” substituted for “new trustee or new trustees”	paragraph 6(1)(xxi)
	3. Words “for the investment” transposed before the words “of such money” and commas inserted before the words “trustees” and “investment”	paragraphs 6(1)(xiii) and (xvi)
	4. Word “thereof” at the end of this subsection omitted	paragraph 6(1)(xxi)
subsection 5(5)	1. Renumbered as subsection 7(4)	paragraph 6(1)(xii)
	2. Words “subsection (3)” substituted for “sub-section (4)”	paragraphs 6(1)(xvi) and (xix)
	3. Words “of the High Court” substituted for “thereof”	paragraph 6(1)(xxi)
subsection 5(6)	Divided and renumbered as paragraph 7(5)(<i>a</i>) and (<i>b</i>) with consequential alterations made	paragraphs 6(1)(xii), (xiii), (xxi) and (xxiv)

Provision	Particulars of amendments	Authority for amendment
subsection 5(7)	1. Divided and renumbered as paragraph 8(a) and (b) with consequential alterations made	paragraphs 6(1)(xii), (xiii), (xxi) and (xxiv)
	2. Shoulder note “ Discretion of local authority to forfeit contribution to the provident fund upon dismissal ” inserted before the new section 8	paragraph 6(1)(xxiv)
subsection 5(8)	1. Renumbered as subsection 5(2)	paragraph 6(1)(xii)
	2. Words “the provisions of” omitted	paragraph 6(1)(xxi)
	3. Words “section 20 of the Interpretation Acts 1948 and 1967 [<i>Act 388</i>]” substituted for “sub-section (2) of section 22 of the Interpretation and General Clauses Ordinance, 1948 [<i>M.U. 7 of 1948</i>]”	paragraph 6(1)(xix)
section 6	1. Renumbered as section 9	paragraph 6(1)(xii)
	2. In the shoulder notes, words “ Powers and duties conferred or imposed under this Act are in addition to powers and duties under other written law ” substituted for “ Saving. ”	paragraph 6(1)(xxiv)