TEMPORARY MEASURES FOR REDUCING THE IMPACT OF CORONAVIRUS DISEASE 2019 (COVID-19) BILL 2020

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A BILL

intituled

An Act to provide for temporary measures to reduce the impact of Coronavirus Disease 2019 (COVID-19) including to modify the relevant provisions in the Limitation Act 1953, the Sabah Limitation Ordinance, the Sarawak Limitation Ordinance, the Public Authorities Protection Act 1948, the Insolvency Act 1967, the Hire-Purchase Act 1967, the Consumer Protection Act 1999, the Distress Act 1951, the Housing Development (Control and Licensing) Act 1966, the Industrial Relations Act 1967, the Private Employment Agencies Act 1981, the Land Public Transport Act 2010, the Commercial Vehicles Licensing Board Act 1987, the Courts of Judicature Act 1964, the Subordinate Courts Act 1948 and the Subordinate Courts Rules Act 1955.

ENACTED by the Parliament of Malaysia as follows:

PART I

PRELIMINARY

Short title and commencement

1. (1) This Act may be cited as the Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) Act 2020.

- (2) Except where the date of commencement and period of operation have been provided in respect of the respective Parts in this Act, this Act shall come into operation on the date of publication of this Act and shall continue to remain in operation for a period of two years from such date of publication.
- (3) Notwithstanding subsection (2), the Prime Minister may, by order published in the *Gazette*, extend the operation of this Act and the order for extension may be made more than once.
- (4) An order made under subsection (3) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Modification to Acts and Ordinances

Prevailing law

3. In the event of any conflict or inconsistency between the provisions of this Act and any other written law, the provisions of this Act shall prevail and the conflicting or inconsistent provisions of such other written law shall be deemed to be superseded to the extent of the conflict or inconsistency.

Reference to COVID-19

4. In this Act, any reference to "COVID-19" is a reference to "Coronavirus Disease 2019 (COVID-19)".

PART II

INABILITY TO PERFORM CONTRACTUAL OBLIGATION

Commencement of this Part

- **5.** (1) This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.
- (2) The Minister may, by order published in the *Gazette*, extend the operation of this Part, the extension of which shall not exceed the period of operation of this Act provided in subsection 1(2) or any extended period under subsection 1(3), as the case may be.
 - (3) An order under subsection (2)—
 - (a) shall not be made after the expiry period of the operation or the extended operation of this Part, as the case may be; and
 - (b) may be made more than once.
- (4) An order made under subsection (2) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Interpretation

6. In this Part, "Minister" means the Minister charged with the responsibility for law.

Inability to perform contractual obligation

7. The inability of any party or parties to perform any contractual obligation arising from any of the categories of contracts specified in the Schedule to this Part due to the measures prescribed, made or taken under the Prevention and Control of Infectious Diseases Act 1988 [Act 342] to control or prevent the spread of COVID-19 shall not give rise to the other party or parties exercising his or their rights under the contract.

Power to amend Schedule

8. The Minister may, by order published in the *Gazette*, amend the Schedule to this Part.

Mediation

- 9. (1) Any dispute in respect of any inability of any party or parties to perform any contractual obligation arising from any of the categories of contracts specified in the Schedule to this Part due to the measures prescribed, made or taken under the Prevention and Control of Infectious Diseases Act 1988 to control or prevent the spread of COVID-19 may be settled by way of mediation.
- (2) The Minister may determine the mediation process which includes the appointment of a mediator, role of a mediator, conduct of mediation and conclusion of mediation.
- (3) Upon the conclusion of a mediation and the reaching of an agreement by the parties regarding a dispute, the parties shall enter into a settlement agreement which shall be in writing and signed by the parties.
- (4) The mediator shall authenticate the settlement agreement and furnish a copy of the agreement to the parties.
 - (5) The settlement agreement shall be binding on the parties.

Saving

10. Notwithstanding section 7, any contract terminated, any deposit or performance bond forfeited, any damages received, any legal proceedings, arbitration or mediation commenced, any judgment or award granted and any execution carried out for the period from 18 March 2020 until the date of publication of this Act shall be deemed to have been validly terminated, forfeited, received, commenced, granted or carried out.

SCHEDULE

[Section 7]

LIST OF CATEGORIES OF CONTRACTS

- 1. Construction work contract or construction consultancy contract and any other contract related to the supply of construction material, equipment or workers in connection with a construction contract
- 2. Performance bond or equivalent that is granted pursuant to a construction contract or supply contract
- 3. Professional services contract
- 4. Lease or tenancy of non-residential immovable property
- 5. Event contract for the provision of any venue, accommodation, amenity, transport, entertainment, catering or other goods or services including, for any business meeting, incentive travel, conference, exhibition, sales event, concert, show, wedding, party or other social gathering or sporting event, for the participants, attendees, guests, patrons or spectators of such gathering or event
- 6. Contract by a tourism enterprise as defined under the Tourism Industry Act 1992 [Act 482] and a contract for the promotion of tourism in Malaysia
- 7. Religious pilgrimage-related contract

PART III

MODIFICATIONS TO THE LIMITATION ACT 1953

Commencement of modifications to the Limitation Act 1953

11. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Limitation period in section 6 extended

12. Any limitation period specified in section 6 of the Limitation Act 1953 which expires during the period from 18 March 2020 to 31 August 2020 shall be extended to 31 December 2020.

PART IV

MODIFICATIONS TO THE SABAH LIMITATION ORDINANCE

Commencement of modifications to the Sabah Limitation Ordinance

13. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Limitation period extended

14. Any limitation period specified in paragraphs 1 to 4, subparagraph 5(a), paragraph 8, paragraphs 10 to 33, paragraphs 35 to 79, paragraphs 83 to 88, paragraphs 90 to 95 and paragraphs 98, 100, 106, 107, 111 and 113 in the Schedule to the Sabah Limitation Ordinance which expires during the period from 18 March 2020 to 31 August 2020 shall be extended to 31 December 2020.

PART V

MODIFICATIONS TO THE SARAWAK LIMITATION ORDINANCE

Commencement of modifications to the Sarawak Limitation Ordinance

15. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Limitation period extended

16. Any limitation period specified in paragraphs 1 to 4, subparagraph 5(a), paragraphs 8 to 29, paragraphs 31 and 32, paragraphs 34 to 78, paragraphs 82 to 94 and paragraphs 96, 98, 100, 106, 107, 111 and 113 in the Schedule to the Sarawak Limitation Ordinance which expires during the period from 18 March 2020 to 31 August 2020 shall be extended to 31 December 2020.

PART VI

MODIFICATIONS TO THE PUBLIC AUTHORITIES PROTECTION ACT 1948

Commencement of modifications to the Public Authorities Protection Act 1948

17. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Limitation period in section 2 extended

18. The limitation period specified in paragraph 2(a) of the Public Authorities Protection Act 1948 which expires during the period from 18 March 2020 to 31 August 2020 shall be extended to 31 December 2020.

PART VII

MODIFICATIONS TO THE INSOLVENCY ACT 1967

Commencement of modifications to the Insolvency Act 1967

19. (1) This Part comes into operation on the date of publication of this Act and shall continue to remain in operation until 31 August 2021.

- (2) The Minister may, by order published in the *Gazette*, extend the operation of this Part, the extension of which shall not exceed the period of operation of this Act provided in subsection 1(2) or any extended period under subsection 1(3), as the case may be.
 - (3) An order under subsection (2)—
 - (a) shall not be made after the expiry period of the operation or the extended operation of this Part, as the case may be; and
 - (b) may be made more than once.
- (4) An order made under subsection (2) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Modification to the amount of indebtedness

20. During the period of operation of this Part, a creditor or creditors shall not be entitled to present a bankruptcy petition against a debtor under section 20 or 5 of the Insolvency Act 1967, unless the debt owing by the debtor to the petitioning creditor, or if two or more creditors join in the petition the aggregate amount of debts owing to the several petitioning creditors, amounts to one hundred thousand ringgit.

Saving

21. Any proceedings, actions or other matters required to be done under the Insolvency Act 1967 which are still pending immediately before the date of publication of this Act shall be dealt with under the Insolvency Act 1967 as if the Insolvency Act 1967 had not been modified by this Act.

PART VIII

MODIFICATIONS TO THE HIRE-PURCHASE ACT 1967

Commencement of modifications to the Hire-Purchase Act 1967

- **22.** (1) This Part is deemed to have come into operation on 1 April 2020 and shall continue to remain in operation until 31 December 2020.
- (2) The Minister may, by order published in the *Gazette*, extend the operation of this Part, the extension of which shall not exceed the period of operation of this Act provided in subsection 1(2) or any extended period under subsection 1(3), as the case may be.
 - (3) An order under subsection (2)—
 - (a) shall not be made after the expiry period of the operation or the extended operation of this Part, as the case may be; and
 - (b) may be made more than once.
- (4) An order made under subsection (2) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Taking possession of goods comprised in a hire-purchase agreement under section 16

23. No owner shall exercise any power of taking possession of goods comprised in a hire-purchase agreement under section 16 of the Hire-Purchase Act 1967 for any default of payment of instalment during the period from 1 April 2020 to 30 September 2020.

Saving

24. Notwithstanding section 19, any owner who has exercised his power of taking possession of goods comprised in a hire-purchase agreement under section 16 of the Hire-Purchase Act 1967 before the date of publication of this Act, shall be deemed to have validly exercised such power of taking possession of such goods as if the Hire-Purchase Act 1967 had not been modified by this Act.

PART IX

MODIFICATIONS TO THE CONSUMER PROTECTION ACT 1999

Commencement of modifications to the Consumer Protection Act 1999

25. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Modification to section 24v

26. (1) The Consumer Protection Act 1999 is modified by substituting for section 24v the following section:

"Default in payment of instalments by purchaser

- **24v.** (1) In the event of default in payment of two consecutive instalments by a purchaser under a credit sale agreement, the credit facility provider shall issue a notice to the purchaser on the settlement of the overdue instalments under the agreement.
- (2) Upon receipt of the notice under subsection (1), the purchaser may within twenty-one days elect to—
 - (a) pay the overdue instalments to the credit facility provider;

- (b) make an early settlement of the credit sale agreement by paying the total amount payable under the agreement to the credit facility provider; or
- (c) terminate the credit sale agreement and surrender the purchased goods to the credit facility provider in accordance with section 24w.
- (3) If the purchaser elects to make an early settlement under paragraph (2)(b), the credit facility provider shall grant the statutory rebate to the purchaser.
- (4) Notwithstanding the failure of the purchaser to make the election under subsection (2), the credit facility provider shall not commence any legal proceedings to recover the total outstanding amount payable by the purchaser under the credit sale agreement."
- (2) Section 24v as modified in subsection (1) shall only apply—
 - (a) if the credit sale agreement was entered into before 18 March 2020; and
 - (b) if the purchaser has no overdue instalments before 18 March 2020.

Saving

27. The modification relating to subsection 24v(4) of the Consumer Protection Act 1999 in subsection 26(1) shall not affect any legal proceedings commenced to recover, or any judgment or award obtained for, the outstanding amount payable by the purchaser under the credit sale agreement during the period from 18 March 2020 until the date of publication of this Act.

Modification to section 99

28. The period of limitation specified in subsection 99(2) of the Consumer Protection Act 1999 which expires during the period from 18 March 2020 to 15 June 2020 shall be extended until 31 December 2020.

PART X

MODIFICATION TO THE DISTRESS ACT 1951

Commencement of modification to the Distress Act 1951

29. This Part is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020.

Modification to section 5

30. For the purposes of the recovery of rent due or payable to the landlord by a tenant of any premises, a warrant of distress issued under subsection 5(1) of the Distress Act 1951, shall not include the distrain for the arrears of rent for the period from 18 March 2020 to 31 August 2020.

Saving

31. Any execution of the warrant of distress for the recovery of rent due or payable to the landlord by a tenant of any premises that has been issued before the date of publication of this Act shall be dealt with under the Distress Act 1951 as if the Distress Act 1951 had not been modified by this Act.

PART XI

MODIFICATIONS TO THE HOUSING DEVELOPMENT (CONTROL AND LICENSING) ACT 1966

Commencement of modifications to the Housing Development (Control and Licensing) Act 1966

32. This Part is deemed to have come into operation on 18 March 2020.

Interpretation

33. In this Part, "agreement" means agreement for the contract of sale for the sale and purchase of housing accommodation in the forms prescribed in Schedules G, H, I and J of the Housing Development (Control and Licensing) Regulations 1989 [*P.U.* (A) 58/1989] entered into before 18 March 2020.

Late payment charges

- 34. (1) Notwithstanding any agreement entered into between the purchaser and the developer, where due to the measures prescribed, made or taken under the Prevention and Control of Infectious Diseases Act 1988 to control or prevent the spread of COVID-19 the purchaser fails to pay any instalment for the period from 18 March 2020 to 31 August 2020, the developer shall not impose any late payment charges in respect of such unpaid instalment on the purchaser.
- (2) The purchaser may apply to the Minister for an extension of the period referred to in subsection (1).
- (3) Upon considering the application under subsection (2), the Minister may, if the Minister is satisfied that additional time is required by the purchaser, by written direction to the developer, extend the period in which the developer shall not impose any late payment charges on the purchaser in respect of such unpaid instalment up to 31 December 2020.

Delivery of vacant possession and liquidated damages

- **35.** (1) Notwithstanding any agreement entered into between the purchaser and the developer, the period from 18 March 2020 to 31 August 2020 shall be excluded from the calculation of—
 - (a) the time for delivery of vacant possession of a housing accommodation; and
 - (b) the liquidated damages for the failure of the developer to deliver vacant possession of a housing accommodation.

(2) The developer may apply to the Minister for an extension of the period referred to in subsection (1).

Bill

- (3) Upon considering the application under subsection (2), the Minister may, if the Minister is satisfied that additional time is required by the developer to deliver vacant possession, by written direction grant to the developer an extension period of up to 31 December 2020 to deliver vacant possession and such extension shall have the same effect as the period excluded in subsection (1).
- (4) Notwithstanding any agreement entered into between the purchaser and the developer, if the purchaser is unable to enter into possession of occupation of a housing accommodation from the date of service of a notice to take vacant possession from the developer during the period from 18 March 2020 to 31 August 2020 or any extension period granted under subsection (3), the purchaser shall not be deemed to have taken such vacant possession.

Defect liability period

- **36.** (1) Notwithstanding any agreement entered into between the purchaser and the developer, the period from 18 March 2020 to 31 August 2020 shall be excluded from the calculation of—
 - (a) the defect liability period after the date the purchaser takes vacant possession of a housing accommodation; and
 - (b) the time for the developer to carry out works to repair and make good the defect, shrinkages and other faults in a housing accommodation.
- (2) The purchaser may apply to the Minister for an extension of the period referred to in subsection (1).
- (3) Upon considering the application under subsection (2), the Minister may, if the Minister is satisfied that additional time is required by the purchaser, by written direction, exclude the period up to 31 December 2020 from the calculation of—
 - (a) the defect liability period after the date the purchaser takes vacant possession of a housing accommodation; and

(b) the time for the developer to carry out works to repair and make good the defect, shrinkages and other faults in a housing accommodation.

Saving

- **37.** (1) The modifications in sections 34, 35 and 36 shall not affect any legal proceedings commenced, or any judgment or award obtained, to recover late payment charges payable by the purchaser or liquidated damages payable by the developer or any other sum during the period from 18 March 2020 until the date of publication of this Act.
- (2) Notwithstanding sections 34 and 35, any late payment charges that has been paid by the purchaser or liquidated damages that has been paid by the developer before the date of publication of this Act shall be deemed to have been validly paid under the Housing Development (Control and Licensing) Act 1966 and its regulations, and such payment shall not be refunded to the payer.

Modification to section 16N

38. Notwithstanding subsection 16N(2) of the Housing Development (Control and Licensing) Act 1966, if the limitation period for the homebuyer to file a claim has expired during the period from 18 March 2020 to 9 June 2020, the homebuyer is entitled to file the claim from 4 May 2020 to 31 December 2020 and the Tribunal for Homebuyer Claims shall have jurisdiction to hear such claim.

PART XII

MODIFICATIONS TO THE INDUSTRIAL RELATIONS ACT 1967

Commencement of modifications to the Industrial Relations Act 1967

39. This Part is deemed to have come into operation on 18 March 2020.

Period for according recognition, making a report and filing of representation

40. The period from 18 March 2020 to 9 June 2020 shall be excluded from the calculation of the period under the Industrial Relations Act 1967 for according recognition or notifying the trade union of workmen concerned in writing the grounds for not according recognition under subsection 9(3), the making of a report in writing to the Director General for Industrial Relations under subsection 9(4) and the filing of representation under subsection 20(1A).

PART XIII

MODIFICATION TO THE PRIVATE EMPLOYMENT AGENCIES ACT 1981

Commencement of modification to the Private Employment Agencies Act 1981

41. This Part is deemed to have come into operation on 18 March 2020.

Time period for renewal of licence under section 11

42. The period from 18 March 2020 to 9 June 2020 shall be excluded from the calculation of the period for an application to renew a licence under subsection 11(1) of the Private Employment Agencies Act 1981.

PART XIV

MODIFICATIONS TO THE LAND PUBLIC TRANSPORT ACT 2010

Commencement of modifications to the Land Public Transport Act 2010

- **43.** (1) This Part is deemed to have come into operation on 1 August 2020 and shall continue to remain in operation until 31 December 2021.
- (2) The Minister may, by order published in the *Gazette*, extend the operation of this Part, the extension of which shall not exceed the period of operation of this Act provided in subsection 1(2) or any extended period under subsection 1(3), as the case may be.

- (3) An order under subsection (2)—
 - (a) shall not be made after the expiry period of the operation or the extended operation of this Part, as the case may be; and
 - (b) may be made more than once.
- (4) An order made under subsection (2) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Modification to section 21

44. The Land Public Transport Act 2010 is modified by substituting for section 21 the following section:

"Temporary change of use of public service vehicle or tourism vehicle

- **21.** (1) Subject to subsection (2), the Director General of Land Public Transport may, on an application by a licensed operator of a public service vehicle or tourism vehicle, authorize for a period not exceeding twelve months for the licensed operator to use the vehicle for the purpose of a public service vehicle, tourism vehicle or goods vehicle of any other class.
- (2) The application made under subsection (1) shall be accompanied with the following:
 - (a) information on any changes in technical specification of the vehicle, information on temporary use of the vehicle and any other information as determined by the Director General of Land Public Transport; and
 - (b) additional insurance coverage for the vehicle.
- (3) The Director General of Land Public Transport may impose any condition on the authorization granted under subsection (1).".

Modification to section 56

45. The Land Public Transport Act 2010 is modified by substituting for section 56 the following section:

"Temporary change of use of goods vehicle

- **56.** (1) Subject to subsections (2) and (4), the Director General of Land Public Transport may, on an application by a licensed operator of goods vehicle, authorize for a period not exceeding twelve months the licensed operator of a particular class of goods vehicle to use the vehicle for the purpose of a public service vehicle, tourism vehicle or goods vehicle of any other class.
- (2) The application made under subsection (1) shall be accompanied with the following:
 - (a) information on any changes in technical specification of the vehicle, information on temporary use of the vehicle and any other information as determined by the Director General of Land Public Transport; and
 - (b) additional insurance coverage for the vehicle.
- (3) The Director General of Land Public Transport may impose any condition on the authorization granted under subsection (1).
- (4) Any goods vehicle authorized to be used for the purpose of tourism vehicle shall be operated by a tour operator licensed under the Tourism Industry Act 1992 [Act 482].".

PART XV

MODIFICATIONS TO THE COMMERCIAL VEHICLES LICENSING BOARD ACT 1987

Commencement of modifications to the Commercial Vehicles Licensing Board Act 1987

- **46.** (1) This Part is deemed to have come into operation on 1 August 2020 and shall continue to remain in operation until 31 December 2021.
- (2) The Minister may, by order published in the *Gazette*, extend the operation of this Part, the extension of which shall not exceed the period of operation of this Act provided in subsection 1(2) or any extended period under subsection 1(3), as the case may be.
 - (3) An order under subsection (2)—
 - (a) shall not be made after the expiry period of the operation or the extended operation of this Part, as the case may be; and
 - (b) may be made more than once.
- (4) An order made under subsection (2) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.

Modification to section 23

47. The Commercial Vehicles Licensing Board Act 1987 is modified by substituting for section 23 the following section:

"Temporary change of use of public service vehicle

23. (1) Subject to subsection (2), the Board may, on an application by any holder of a public service vehicle licence of a particular class, authorize for a period not

exceeding twelve months the holder of a public service vehicle licence of a particular class to use the vehicle for the purpose of a public service vehicle or goods vehicle of any other class.

- (2) The application made under subsection (1) shall be accompanied with the following:
 - (a) information on any changes in technical specification of the vehicle, information on temporary use of the vehicle and any other information as determined by the Board; and
 - (b) additional insurance coverage for the vehicle.
- (3) The Board may impose any conditions on the authorization granted under subsection (1).".

Modification to section 24

48. The Commercial Vehicles Licensing Board Act 1987 is modified by substituting for section 24 the following section:

"Temporary change of use of 'C' vehicle or 'A' vehicle

- **24.** (1) Subject to subsection (2), the Board may, on an application by any holder of a carrier's licence 'C' vehicle or 'A' vehicle, authorize for a period not exceeding twelve months the holder of a carrier's licence 'C' vehicle or 'A' vehicle to use the vehicle for the purpose of a public service vehicle or goods vehicle of any other class.
- (2) The application made under subsection (1) shall be accompanied with the following:
 - (a) information on any changes in technical specification of the vehicle, information on temporary use of the vehicle and any other information as determined by the Board; and
 - (b) additional insurance coverage for the vehicle.

(3) The Board may impose any conditions on the authorization granted under subsection (1).".

PART XVI

MODIFICATIONS TO THE COURTS OF JUDICATURE ACT 1964

Commencement of modifications to the Courts of Judicature Act 1964

49. This Part is deemed to have come into operation on 18 March 2020 and shall continue to be in operation until the date of publication of this Act and shall continue to remain in operation for a period of two years from such date of publication.

New section 16A

50. The Courts of Judicature Act 1964 is modified by inserting after section 16 the following section:

"General power of the Chief Justice to issue direction

16A. The Chief Justice may, if the Chief Justice is of the opinion that the circumstances warrant and it is necessary in the interest of the dispensation of justice, public safety, public security, public health or propriety or for other sufficient reason to do so, issue any direction relating to the business of the Court as may be necessary."

Modification to section 17

- **51.** The Courts of Judicature Act 1964 is modified in section 17—
 - (a) by renumbering the existing subsection (3A) as subsection (3B);
 - (b) by inserting after subsection (3) the following subsection:
 - "(3A) The Chief Justice may, if the Chief Justice is of the opinion that any meeting is not possible to be convened, held or conducted, provide for alternative arrangements for such meeting."; and

- (c) by inserting after subsection (7) the following subsection:
 - "(8) The Chief Justice may, if the Chief Justice is of the opinion that the circumstances warrant and it is necessary in the interest of the dispensation of justice, public safety, public security, public health or propriety or for other sufficient reason to do so, modify any provision of the rules of court or suspend the application of such rules of court as is necessary for doing complete justice in any cause or matter pending before the Courts and to ensure that the administration of justice is carried out."

Modification to section 17A

52. Subsection 17A(1) of the Courts of Judicature Act 1964 is modified by deleting the words "but so that there shall be at least one meeting in each year".

PART XVII

MODIFICATION TO THE SUBORDINATE COURTS ACT 1948

Commencement of modification to the Subordinate Courts Act 1948

53. This Part is deemed to have come into operation on 18 March 2020 and shall continue to be in operation until the date of publication of this Act and shall continue to remain in operation for a period of two years from such date of publication.

New section 3A

54. The Subordinate Courts Act 1948 is modified by inserting after section 3 the following section:

"General power of the Chief Justice to issue direction

3A. The Chief Justice may, if the Chief Justice is of the opinion that the circumstances warrant and it is necessary in the interest of the dispensation of justice, public safety, public security, public health or propriety or for other sufficient reason to do so, issue any direction relating to the business of the Subordinate Courts as may be necessary.".

PART XVIII

MODIFICATION TO THE SUBORDINATE COURTS RULES ACT 1955

Commencement of modification to the Subordinate Courts Rules Act 1955

55. This Part is deemed to have come into operation on 18 March 2020 and shall continue to be in operation until the date of publication of this Act and shall continue to remain in operation for a period of two years from such date of publication.

Modification to section 3

- **56.** The Subordinate Courts Rules Act 1955 is modified by inserting after subsection 3(6) the following subsection:
 - "(7) The Chief Justice may, if the Chief Justice is of the opinion that the circumstances warrant and it is necessary in the interest of the dispensation of justice, public safety, public security, public health or propriety or for other sufficient reason to do so, modify any provision of the rules of court or suspend the application of such rules of court as is necessary for doing complete justice in any cause or matter pending before the Courts and to ensure that the administration of justice is carried out.".

PART XIX

MISCELLANEOUS

Commencement of this Part

57. This Part is deemed to have come into operation on 18 March 2020.

Extension of time to perform statutory duty or obligation

- **58.** (1) The Minister charged with the responsibility for any Act may, if the Minister is of the opinion that any statutory duty or obligation is not possible to be performed within the time stipulated in such Act by any authority during the period from 18 March 2020 to 9 June 2020 due to the measures prescribed, made or taken under the Prevention and Control of Infectious Diseases Act 1988 to control or prevent the spread of COVID-19, by order published in the *Gazette*, extend the time for the authority to perform its statutory duties or obligations.
- (2) Any order made under subsection (1) may be made to operate retrospectively to any date which is not earlier than 18 March 2020.
- (3) No authority shall be liable to any damages in respect of any failure to perform any statutory duty or obligation within the time stipulated in such Act.

Alternative arrangement for statutory meeting

- **59.** (1) The Minister charged with the responsibility for any Act may, if the Minister is of the opinion that any statutory meeting is not possible to be convened, held or conducted in the manner provided in such Act during the period from 18 March 2020 to 9 June 2020 due to the measures prescribed, made or taken under the Prevention and Control of Infectious Diseases Act 1988 to control or prevent the spread of COVID-19, by order published in the *Gazette*, provide for alternative arrangements for such meeting.
- (2) Any statutory meeting convened, held or conducted not in the manner provided for in any Act regulating such statutory meeting on and after 18 March 2020 and before the making of the order under subsection (1) shall be deemed to have been validly convened, held or conducted.

EXPLANATORY STATEMENT

This Bill ("the proposed Act") aims to support the Prihatin Rakyat Economic Stimulus Package, the Prihatin SME Economic Stimulus Package and the Short-Term Economic Recovery Plan announced by the Prime Minister on 27 March 2020, 6 April 2020 and 5 June 2020 respectively and to mitigate the financial and social impact due to the Coronavirus Disease 2019 (COVID-19). This Bill seeks to provide for temporary measures to reduce the impact of COVID-19 and to modify sixteen legislation namely the Limitation Act 1953, the Sabah Limitation Ordinance, the Sarawak Limitation Ordinance, the Public Authorities Protection Act 1948, the Insolvency Act 1967, the Hire-Purchase Act 1967, the Consumer Protection Act 1999, the Distress Act 1951, the Housing Development (Control and Licensing) Act 1966, the Industrial Relations Act 1967, the Private Employment Agencies Act 1981, the Land Public Transport Act 2010, the Commercial Vehicles Licensing Board Act 1987, the Courts of Judicature Act 1964, the Subordinate Courts Act 1948 and the Subordinate Courts Rules Act 1955.

PART I

PRELIMINARY

- 2. Clause 1 contains the short title and commencement of the proposed Act.
- 3. Clause 2 contains the list of legislation modified under the proposed Act.
- 4. Clause 3 seeks to provide that the proposed Act shall prevail over any other written law in the event of any conflict or inconsistency.

PART II

INABILITY TO PERFORM CONTRACTUAL OBLIGATION

- 5. Clause 5 seeks to provide for the commencement of this Part and to enable the Minister to extend the operation of this Part which shall not exceed the period of operation of the proposed Act.
- 6. Clause 7 seeks to provide that the inability of any party or parties to perform any contractual obligation arising from any of the categories of contracts specified in the Schedule to this Part shall not give rise to the other party or parties exercising his or their rights under the contract.
- 7. Clause 8 seeks to enable the Minister to amend the Schedule to this Part by order published in the Gazette.
- 8. Clause 9 seeks to provide that any dispute arising out of any inability of any party to perform any contractual obligation arising out of any of the categories of contract specified in the Schedule to this Part may be settled by way of mediation.

Subclause (2) empowers the Minister charged with the responsibility for law to determine the mediation process.

Subclauses (3) to (5) seek to deal with the settlement of a dispute.

- 9. Clause 10 seeks to provide for saving provision.
- 10. The Schedule to this Part consists a list of categories of contracts under which the inability of one party to perform any contractual obligation shall not give rise to the other party to exercise his rights under the contract.

PART III

MODIFICATIONS TO THE LIMITATION ACT 1953

- 11. Clause 11 seeks to provide for the commencement of this Part.
- 12. Clause 12 seeks to extend the limitation period in section 6 of the Limitation Act 1953.

PART IV

MODIFICATIONS TO THE SABAH LIMITATION ORDINANCE

- 13. Clause 13 seeks to provide for the commencement of this Part.
- 14. Clause 14 seeks to extend the limitation period in the relevant paragraphs of the Schedule to the Sabah Limitation Ordinance.

PART V

MODIFICATIONS TO THE SARAWAK LIMITATION ORDINANCE

- 15. Clause 15 seeks to provide for the commencement of this Part.
- 16. Clause 16 seeks to extend the limitation period in the relevant paragraphs of the Schedule to the Sarawak Limitation Ordinance.

PART VI

MODIFICATIONS TO THE PUBLIC AUTHORITIES PROTECTION ACT 1948

- 17. Clause 17 seeks to provide for the commencement of this Part.
- 18. Clause 18 seeks to extend the limitation period in section 2 of the Public Authorities Protection Act 1948.

PART VII

MODIFICATIONS TO THE INSOLVENCY ACT 1967

- 19. Clause 19 seeks to provide for the commencement of this Part and to enable the Minister to extend the operation of this Part which shall not exceed the period of operation of the proposed Act.
- 20. Clause 20 seeks to modify amount of indebtedness in section 5 of the Insolvency Act 1967 with regard to the filing of bankruptcy petition, from fifty thousand ringgit to one hundred thousand ringgit.
- 21. Clause 21 seeks to provide for saving provision.

PART VIII

MODIFICATIONS TO THE HIRE-PURCHASE ACT 1967

- 22. Clause 22 seeks to provide for the commencement of this Part and to enable the Minister to extend the operation of this Part which shall not exceed the period of operation of the proposed Act.
- 23. Clause 23 seeks to provide that the owner of the goods comprised in a hire-purchase agreement under section 16 of the Hire-Purchase Act 1967 shall not exercise his right to repossess the goods for any default of payment of instalment during the period from 1 April 2020 to 30 September 2020.
- 24. Clause 24 seeks to provide for saving provision.

PART IX

MODIFICATIONS TO THE CONSUMER PROTECTION ACT 1999

- 25. Clause 25 seeks to provide for the commencement of this Part.
- 26. Clause 26 seeks to modify section 24v of the Consumer Protection Act 1999 to provide that upon receiving the notice from the credit facility provider under subsection 24v(1) of the Consumer Protection Act 1999, the purchaser may within twenty-one days elect to—
 - (a) pay the overdue instalments;
 - (b) make an early settlement of the credit sale agreement by paying the total amount payable; or
 - (c) terminate the credit sale agreement and surrender the purchased goods.

This *clause* also seeks to provide that although the purchaser fails to make the election, the credit facility provider shall not commence any legal proceedings to recover the outstanding amount payable by the purchaser under the credit sale agreement.

Subclause 26(2) seeks to provide that section 24v of the Consumer Protection Act 1999 as modified in subclause 26(1) shall only be applicable on the following conditions:

- (a) the credit sale agreement was entered into before 18 March 2020; and
- (b) the purchaser has no overdue instalments before 18 March 2020.
- 27. Clause 27 seeks to provide for saving provision.
- 28. Clause 28 seeks to extend the limitation period under subsection 99(2) of the Consumer Protection Act 1999.

PART X

MODIFICATION TO THE DISTRESS ACT 1951

- 29. Clause 29 seeks to provide for the commencement of this Part.
- 30. Clause 30 seeks to modify section 5 of the Distress Act 1951 to provide that for the purposes of the recovery of rent due or payable to the landlord by a tenant of any premises, a warrant of distress issued under subsection 5(1) of the Distress Act 1951 shall not include the distrain for the arrears of rent for the period from 18 March 2020 to 31 August 2020.
- 31. Clause 31 seeks to provide for saving provision.

PART XI

MODIFICATIONS TO THE HOUSING DEVELOPMENT (CONTROL AND LICENSING) ACT 1966

- 32. Clause 32 seeks to provide for the commencement of this Part.
- 33. Clause 34 seeks to deal with late payment charges.

Subclause 34(1) seeks to exclude late payment charges for failure of the purchaser to pay any instalment for the period from 18 March 2020 to 31 August 2020.

Subclauses 34(2) and (3) seek to deal with application for extension of the period in which the developer shall not impose any late payment charges on the purchaser in respect of such unpaid instalment.

34. Clause 35 seeks to deal with the delivery of vacant possession and liquidated damages.

Subclause 35(1) seeks to exclude the period from 18 March 2020 to 31 August 2020 from the calculation of time for the delivery of vacant possession and the liquidated damages for the failure of the developer to deliver vacant possession.

Subclauses 35(2) and (3) seek to deal with application for extension of time to enable the developer to deliver vacant possession.

Subclause 35(4) seeks to provide that if the purchaser is unable to enter into possession of occupation of a housing accommodation from the date of service of a notice to take vacant possession from the developer during the period from 18 March 2020 to 31 August 2020, the purchaser shall not be deemed to have taken such vacant possession.

35. Clause 36 seeks to deal with defect liability period.

Subclause 36(1) seeks to exclude the period from 18 March 2020 to 31 August 2020 from the calculation of the defect liability period and the period for the developer to carry out the works to repair and make good of the defect, shrinkages and other faults.

Subclauses 36(2) and (3) seek to deal with the application for extension of the exclusion period for the calculation of the defect liability period and the period for the developer to carry out the works to repair and make good of the defect, shrinkages and other faults.

- 36. Clause 37 seeks to provide for saving provision.
- 37. Clause 38 seeks to modify the limitation period for the homebuyer to file a claim under subsection 16N(2) of the Housing Development (Control and Licensing) Act 1966.

PART XII

MODIFICATIONS TO THE INDUSTRIAL RELATIONS ACT 1967

- 38. Clause 39 seeks to provide for the commencement of this Part.
- 39. Clause 40 seeks to exclude the period from 18 March 2020 to 9 June 2020 from the calculation of the period under the Industrial Relations Act 1967 for according recognition or notifying the trade union of workmen concerned in writing the grounds for not according recognition under subsection 9(3), for the making of a report in writing to the Director General for Industrial Relations under subsection 9(4) and for the filing of representation under subsection 20(1A).

PART XIII

MODIFICATION TO THE PRIVATE EMPLOYMENT AGENCIES ACT 1981

- 40. Clause 41 seeks to provide for the commencement of this Part.
- 41. Clause 42 seeks to exclude the period from 18 March 2020 to 9 June 2020 from the calculation for the period for an application to renew a licence under subsection 11(1) of the Private Employment Agencies Act 1981.

PART XIV

MODIFICATIONS TO THE LAND PUBLIC TRANSPORT ACT 2010

- 42. Clause 43 seeks to provide for the commencement of this Part and to enable the Minister to extend the operation of this Part which shall not exceed the period of operation of the proposed Act.
- 43. Clause 44 seeks to substitute section 21 of the Land Public Transport Act 2010 to enable the Director General of Land Public Transport to authorize any licensed operator of any public service vehicle or tourism vehicle to temporarily use the vehicle as a public service vehicle, tourism vehicle or goods vehicle of any other class.
- 44. Clause 45 seeks to substitute section 56 of the Land Public Transport Act 2010 to enable the Director General of Land Public Transport to authorize any licensed operator of goods vehicle to temporarily use the vehicle as a public service vehicle, tourism vehicle or goods vehicle of any other class.

PART XV

MODIFICATIONS TO THE COMMERCIAL VEHICLES LICENSING BOARD ACT 1987

- 45. Clause 46 seeks to provide for the commencement of this Part and to enable the Minister to extend the operation of this Part which shall not exceed the period of operation of the proposed Act.
- 46. Clause 47 seeks to substitute section 23 of the Commercial Vehicles Licensing Board Act 1987 to enable the Commercial Vehicles Licensing Board to authorize a holder of a public service vehicle licence of a particular class to use the vehicle for the purpose of a public service vehicle or goods vehicle of any other class.
- 47. Clause 48 seeks to substitute section 24 of the Commercial Vehicles Licensing Board Act 1987 to enable the Commercial Vehicles Licensing Board to authorize a holder of a carrier's licence 'C' vehicle or 'A' vehicle to use the vehicle for the purpose of a public service vehicle or goods vehicle of any other class.

PART XVI

MODIFICATIONS TO THE COURTS OF JUDICATURE ACT 1964

- 48. Clause 49 seeks to provide for the period of operation of this Part.
- 49. Clause 50 seeks to introduce a new section 16A into the Courts of Judicature Act 1964 to enable the Chief Justice to issue directions relating to the business of the High Court, the Court of Appeal and the Federal Court whenever the Chief Justice is of the opinion that it is necessary in the interest of the dispensation of justice, public health, etc.

50. Clause 51 seeks to modify section 17 of the Courts of Judicature Act 1964.

Subclause 51(b) seeks to introduce a new subsection (3A) into section 17 of the Courts of Judicature Act 1964 to enable the Chief Justice to make any alternative arrangements for any meeting required to be convened, held or conducted under the Courts of Judicature Act 1964.

Subclause 51(c) seeks to introduce a new subsection (8) into section 17 of the Courts of Judicature Act 1964 to enable the Chief Justice to modify any provisions of the rules of court or to suspend the application of such rules as is necessary for doing complete justice in any cause or matter pending before the Court.

51. Clause 52 seeks to modify subsection 17A(1) of the Courts of Judicature Act 1964 to exclude the mandatory requirement to convene the Council of Judges for at least one meeting in each year.

PART XVII

MODIFICATION TO THE SUBORDINATE COURTS ACT 1948

- 52. Clause 53 seeks to provide for the period of operation of this Part.
- 53. Clause 54 seeks to introduce a new section 3A into the Subordinate Courts Act 1948 to enable the Chief Justice to issue directions relating to the business of the Subordinate Courts whenever the Chief Justice is of the opinion that it is necessary in the interest of the dispensation of justice, public health, etc.

PART XVIII

MODIFICATION TO THE SUBORDINATE COURTS RULES ACT 1955

- 54. Clause 55 seeks to provide for the period of operation of this Part.
- 55. Clause 56 seeks to introduce a new subsection (7) into section 3 of the Subordinate Courts Rules Act 1955 to enable the Chief Justice to modify any provisions of the rules of court or to suspend the application of such rules as is necessary for doing complete justice in any cause or matter pending before the Court.

PART XIX

MISCELLANEOUS

56. Clause 57 seeks to provide for the period of operation of this Part.

- 57. Clause 58 seeks to empower the Minister charged with the responsibility for any Act to extend the time for the relevant authority to perform any of its statutory duties or obligations.
- 58. Clause 59 seeks to empower the Minister charged with the responsibility for any Act to provide for alternative arrangements for any statutory meeting.
- 59. Other modifications not specifically dealt with in this Explanatory Statement are minor or consequential in nature.

FINANCIAL IMPLICATIONS

This Bill will involve the Government in extra financial expenditure the amount of which cannot at present be ascertained.

[PN(U2)3225]