

BY RATAN SINGH

KUALA LUMPUR, SEPT. 10 (BERNAMA) — DR. MAHATHIR MOHAMED SAID TODAY THE GOVERNMENT HAD THE FACTS AND FIGURES TO SHOW THAT TOTAL COST OF IMPLEMENTING THE IBRAHIM ALI COMMISSION'S RECOMMENDATIONS WOULD BE \$500 MILLION.

"I HAVE THE FACTS AND THE FIGURES AND I WILL REVEAL THEM WHEN THE TIME COMES," THE DEPUTY PRIME MINISTER SAID IN AN INTERVIEW WITH REPORTERS IN HIS OFFICE.

THE CHAIRMAN OF THE COMMISSION TAN SRI IBRAHIM ALI IN A LETTER PUBLISHED IN THE STRAITS TIMES YESTERDAY SAID THAT THE TOTAL ESTIMATED COST OF NATION-WIDE IMPLEMENTATION WOULD BE ABOUT \$375 MILLION.

THE DEPUTY PRIME MINISTER EXPLAINED THAT THE COMMISSION'S FIGURES WERE BASED ON ESTABLISHMENT FIGURES FOR 1974 AND DID NOT TAKE INTO CONSIDERATION THE SUBSEQUENT EXPANSION OF THE CIVIL AND OTHER GOVERNMENT SERVICES.

THE DEPUTY PRIME MINISTER SAID FOR THE PAST FEW YEARS GOVERNMENT RECURRENT EXPENDITURE AND REVENUE HAD BEEN JUST IN BALANCE AND MAJOR SALARY INCREASES WOULD REQUIRE IMPOSITION OF NEW TAXES. -- BERNAMA MORE HM 1810

WHEREAS IN THE PAST GOVERNMENT REVENUE EXCEEDED RECURRENT EXPENDITURE LEAVING SOME EXTRA MONEY FOR DEVELOPMENT, IN RECENT YEAR ADMINISTRATIVE COSTS HAD BARELY BEEN MET BY REVENUE, HE EXPLAINED.

THUS, THE CURRENT ACCOUNT WAS NOW COMPLETELY TAKEN UP BY ADMINISTRATION OF THE COUNTRY AND ALL DEVELOPMENT DEPENDED ON FINANCING THROUGH LOANS.

"IF SALARIES INCREASE, IT OF COURSE MEANS NEW TAXES MUST BE IMPOSED TO GET FUNDS TO MEET THE ADDED EXPENDITURE AND NEW TAXES IN TURN WOULD RAISE THE COST OF LIVING OF THE PEOPLE," HE SAID.

DR. MAHATHIR SAID THE GOVERNMENT WAS TRYING TO BE FAIR TO THE PEOPLE AS A WHOLE AND NOT ONLY TO THE UNIONS.

"DON'T FORGET THAT WHILE THE UNIONS ARE TALKING OF 500,000 PEOPLE THE GOVERNMENT IS THINKING IN TERMS OF ALL THE 11 MILLION PEOPLE," HE STRESSED.

WHATEVER THE SALARIES PAID TO CIVIL SERVANTS, THEY WOULD BE BORNE BY THE PUBLIC, NOT BY THE MINISTERS. IN THE END, IT WAS PEOPLE WHO WOULD HAVE TO PAY, HE SAID. -- BERNAMA MORE HM 1820

DR. MAHATHIR STRESSED THAT WHILE THE GOVERNMENT APPRECIATED THE UNIONS EFFORTS TO GET BETTER DEALS FOR THEIR MEMBERS IT HAD ALSO TO KEEP IN MIND THE LARGE PERCENTAGE OF SELF-EMPLOYED PEOPLE SUCH AS FARMERS WHO COULD NOT 'DEMAND INCREASED PAY' BUT HAD TO SUFFER WHEN COSTS WENT UP. 8

'WE MUST BE RESPONSIBLE TO THE PEOPLE BECAUSE IT IS THE PEOPLE WHO WILL PAY WHEN GOVERNMENT SERVANTS SALARIES ARE REVISED --THROUGH TAXES OR INCREASED COST OF LIVING,' HE SAID.

THEREFORE IT WAS CRUCIAL FOR THE GOVERNMENT TO STUDY THE IBRAHIM ALI PROPOSALS IN TERMS OF THE CAPACITY OF THE GOVERNMENT TO MEET THE INCREASED RECURRENT EXPENDITURE.

'WE DONT REJECT THE NEED TO REVISE SALARIES. THERE IS ALSO A NEED TO ELIMINATE ANOMALIES. THIS, IN FACT, WAS WHY THE IBRAHIM ALI COMMISSION WAS APPOINTED,' THE DEPUTY PRIME MINISTER EXPLAINED.

HOWEVER, THE CAPACITY OF THE GOVERNMENT TO RAISE SALARIES WAS NOT UNLIMITED. THIS WAS WHY THE GOVERNMENT NEEDED TO STUDY THE IMPLICATIONS OF THE REPORT TO DETERMINE WHETHER OR NOT THE GOVERNMENT COULD AFFORD IT. -- BERNAMA MORE HM 1832

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FOR THIS STUDY, THE GOVERNMENT NEEDED AT LEAST SIX MONTHS BECAUSE IT WAS NOT EASY TO WORK OUT THE COSTS SINCE BOTH FEDERAL AND STATE COSTS WERE INVOLVED.

ON CHANGES THE GOVERNMENT WANTED IN THE IBRAHIM ALI REPORT, DR. MAHATHIR SAID THE GOVERNMENT WANTED TO ENSURE THE IMPLEMENTATION OF THE REPORT WOULD CLOSE THE GAP BETWEEN THE LOWER INCOME GROUP AND THE HIGHER INCOME GROUP.

'WE DO NOT WANT TO BE ACCUSED OF ENRICHING THE RICH AND IMPOVERISING THE POOR,' HE SAID.

THERE WAS A POSSIBILITY CERTAIN RECOMMENDATIONS WOULD BE INCREASE WHILE OTHER RECOMMENDATIONS WOULD BE REDUCED. THERE WAS NO DOUBT THAT ALL WORKERS WOULD GET RAISES BUT THE QUESTION WAS HOW MUCH THESE INCREASES SHOULD BE.

THE DEPUTY PRIME MINISTER CATEGORICALLY REJECTED CHARGES THAT THE GOVERNMENT WAS USING THE IBRAHIM ALI REPORT ISSUE TO DIVERT ATTENTION FROM THE COMMUNIST THREAT.

'THAT'S RIDICULOUS. WE WANT TO CONCENTRATE ON THE COMMUNIST PROBLEM AND THAT IS EXACTLY WHY WE DONT WANT PROBLEMS LIKE THIS TO DIVERT OUR ATTENTION. HOW COULD WE FIGHT THE COMMUNISTS UNDER SUCH CIRCUMSTANCES,' DR. MAHATHIR SAID. -- BERNAMA 1840/HS