

MAHATHIR

KUALA LUMPUR, JAN. 15 (BERNAMA) -- THE JOINT COMMITTEE AND STAFF SIDE MEETING TODAY DECIDED TO REFER THE IBRAHIM ALI ISSUE TO THE PRIME MINISTER, DATUK HUSSEIN ONN, FOR FINAL SETTLEMENT.

DEPUTY PRIME MINISTER, DR. MAHATHIR MOHAMAD, WHO CHAIRED THE MEETING, SAID DATUK HUSSEIN WOULD CALL FOR A CABINET MEETING TO DISCUSS THE ISSUE AS +SOON AS POSSIBLE+ AFTER HIS ARRIVAL ON JAN. 19.

DATUK HUSSEIN IS NOW ON AN OFFICIAL VISIT TO LIBYA.

DR. MAHATHIR SAID THE GOVERNMENT WAS +ANXIOUS TO SETTLE THE ISSUE AS EARLY AS POSSIBLE BECAUSE THE LONGER WE WAIT THE GREATER THE PROBLEM OF IMPLEMENTATION.+

HOWEVER, HE STRESSED THAT THE GOVERNMENT WOULD ONLY IMPLEMENT THE REPORT IF THE TOTAL COST WAS WITHIN THE MEANS OF THE GOVERNMENT.

DR. MAHATHIR SAID ACCORDING TO THE GOVERNMENT'S CALCULATIONS THE TOTAL COST OF IMPLEMENTING THE IBRAHIM ALI REPORT WAS \$576.6 MILLION EXCLUDING THE SALARIES OF POLICE AND ARMED FORCES. -- BERNAMA MORE 1500/ZCM

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DR. MAHATHIR EXPLAINED THAT THE GOVERNMENT'S FIGURE INCLUDED THE SALARY CONVERSION, HOUSING, BONUS AND OTHER ALLOWANCES TO BE PAID TO ALL PUBLIC AND CIVIL SERVANTS IN THE FEDERAL, STATE, LOCAL AUTHORITIES AND STATUTORY BODIES.

HE ADDED THAT IF THE COST OF SALARY INCREASES FOR THE ARMY AND THE POLICE WERE INCLUDED IT WOULD BRING THE TOTAL COST THAT HAD TO BE BORNE BY THE GOVERNMENT TO \$660.6 MILLION.

+THE QUESTION IS HOW WILL THE GOVERNMENT RAISE SUCH A SUM TO MEET ADDITIONAL EXPENSES?+ HE ASKED.

CLARIFYING THE STAFF SIDE'S CONTENTION THAT THE GOVERNMENT WOULD IMPLEMENT THE IBRAHIM ALI REPORT IF THE COST OF IMPLEMENTATION WAS AROUND \$477 MILLION, DR. MAHATHIR SAID WHAT WE ACTUALLY AGREED WAS THAT +THE FULL COST OF IMPLEMENTING SHOULD BE \$377 MILLION AND NOT JUST THE CONVERSION COST MINUS ALL THE OTHER ALLOWANCES.+

+BUT AS I HAVE POINTED OUT THE FULL COST OF IMPLEMENTING THE REPORT IS FAR MORE THAN THIS FIGURE,+ HE ADDED.

DR. MAHATHIR FELT THAT THE UNIONS WERE PREVENTING THE IMPLEMENTATION OF THE REPORT +BECAUSE THEY ARE BASING THEIR CALCULATIONS ON WRONG ASSUMPTIONS.+ -- BERNAMA MORE 1503/ZCM

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NO43: (F)
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DR. MAHATHIR MAINTAINED THE GOVERNMENT'S FIGURES WERE CORRECT. THE JOINT CHAIRMAN OF THE NATIONAL STAFF SIDE COUNCIL, ENCIK T. NARENDRAN, HOPED A SOLUTION TO THE PROBLEM WOULD BE FOUND SOON AS +THE UNIONS HAVE LOST THEIR PATIENCE.+

HE ALSO HOPED THAT THE GOVERNMENT +WOULD NOT TAMPER WITH THE REVISED IBRAHIM ALI REPORT.+

ENCIK NARENDRAN SAID ACCORDING TO STAFF SIDES CALCULATIONS THE COST OF CONVERSION WOULD BE \$135.0 MILLION, HOUSING \$144.73 MILLION AND PENSIONS \$43.96 MILLION AND THE TOTAL ESTIMATED COST WOULD BE \$323.71 MILLION.

ENCIK NARENDRAN CLAIMED THE GOVERNMENT CALCULATIONS WERE BASED ON WRONG ASUMPTIONS.

HE ALSO CLAIMED THAT THE GOVERNMENT DID NOT TAKE THE 10 PER CENT VACANCIES AND THE TAX INCIDENCE IN ITS CALCULATIONS.

THE INDEPENDENT CHAIRMAN OF THE COSTING COMMITTEE ON THE REPORT, ENCIK AHMAD NOORDIN, TOLD THE MEETING THAT HIS ESTIMATES WERE NOT EXACT BUT +AROUND 95 PER CENT CORRECT.+

HE ESTIMATED THE COST OF IMPLEMENTATION BETWEEN \$348.95 MILLION TO \$394.04 MILLION.

ENCIK AHMAD EXPLAINED THAT IT WAS DIFFICULT TO ARRIVE AT AN EXACT FIGURE UNLESS A FULL SURVEY WAS MADE OF THE TOTAL NUMBER OF EMPLOYEES. -- BERNAMA MORE 1507/ZCM

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NO44: (F)
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TODAY'S MEETING WAS IN LINE WITH THE DECISION TAKEN AT A JOINT OFFICIAL AND STAFF SIDE MEETING ON OCT. 17 LAST YEAR WHICH WAS CHAIRED BY DATUK HUSSEIN.

THE THREE HOUR MEETING WHICH WAS OPEN TO THE PRESS WAS ATTENDED BY LABOUR AND MANPOWER MINISTER, DATUK LEE SAN CHOON, COMMUNICATIONS MINISTER, TAN SRI V. MANICKAVASAGAM AND MINISTER IN THE PRIME MINISTER'S DEPARTMENT, TAN SRI CHONG HON NYAN.

ALSO PRESENT WERE THE CHIEF SECRETARY TO THE GOVERNMENT, DATUK ABDULLAH SALLEH AND THE SECRETARY-GENERAL OF THE TREASURY, DATUK ABDULLAH AYUB AND OTHER SENIOR GOVERNMENT AND UNION OFFICIALS.

-- BERNAMA 1510/ZCM