

# New Govt salary scales from July

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By REJAL ARBEE: Kuala Lumpur, Monday

GOVERNMENT employees who opt by June 30 for the Cabinet Committee's proposed salary scales will be paid salaries calculated on the new rates from July 1, Deputy Prime Minister Dr. Mahathir Mohamad told a Press conference today.

They will also be entitled to receive payment of 18 months' arrears — from Jan. 1, 1976. Dr. Mahathir, who is chairman of the Cabinet Committee, said the arrears to be paid would be the difference between present net income and the new salary.

Special Relief Allowance and proportionate bonus will continue to be paid till June 30 — and these payments will **NOT** be deducted from the arrears to be paid.

Dr. Mahathir gave an assurance that even when the option period had expired, complaints from the unions would still be entertained.

About 560,000 civil servants and employees of statutory bodies and local authorities will be given option papers and at least two months to make up their minds.

The Deputy Prime Minister also said that no decision had yet been taken on when or how the arrears would be paid.

## Inflation fears

It would take the Government some time to compute the arrears due to each individual as their option papers would have to be studied, he said.

He added that the Treasury was still considering the best possible mode of payment to avoid inflationary tendencies and ensure that the purchasing power of the ringgit would not be adversely affected due to the sudden injection of an extra \$500 million into circulation.

Replying to a question, he said the suggestion of a bond issue, instead of a lump sum cash payment, had its negative point since the bonds could be discounted at banks or finance companies — though at a lower rate.

The option papers will be issued some time in April.

With the option papers, the 560,000 employees will also be required to fill in certain forms giv-

ing details of their service and personal data that will later be fed into the centralised electronic data processing system at the Public Services Department.

The compilation of the centralised data for all the Government employees would greatly help future salary revision exercises, Dr. Mahathir said.

The unavailability of such centralised data had resulted in the discrepancy in computing cost to the Government should the Ibrahim Ali report be implemented.

On the decision to pay the new salaries from July, Dr. Mahathir said the Government did not want any further delay.

If the option papers were to be studied first, then it would take months before salaries based on the new scales could be paid.

rates for Government quarters, which will affect about 20 per cent of Government employees.

Rentals for Class A quarters in Kuala Lumpur and Petaling Jaya will be \$650 (from \$850); in major towns \$550 (from \$750); in Municipal and Town Council areas \$435 (from \$635); and outside council limits \$200 (from \$500).

Class B rentals will be \$500 in Kuala Lumpur and Petaling Jaya, \$415 in major towns, \$335 in council areas and \$140 outside council areas.

Class C rentals will be \$350, \$295, \$240 and \$80 respectively; Class D — no difference at \$200, \$175, \$155 for quarters in Kuala Lumpur and Petaling Jaya, major towns and council areas and \$60 (from \$125) for quarters outside council areas.

There will also be no difference in rates for Class E rentals at \$150, \$130 and \$110, except for quarters outside council limits which will be reduced to \$50 from \$105.

For Class F quarters there will be no difference in rentals in Kuala Lumpur, major towns and council areas at \$100, \$85 and \$75 respectively; for quarters outside council limits rentals will be reduced to \$40 from \$55.

There will be no reduction at all for Class G quarters at \$45, \$35, \$30 and \$20; for Class H the rates will be reduced to \$20, \$15, \$10 and \$8 (from \$36, \$29, \$23 and \$15); for Class I the rates will be \$10, \$8, \$6 and \$4 (from \$35, \$25, \$20 and \$14); and for Class J the rates will be reduced to \$10, \$8, \$6 and \$4 (from \$30, \$24, \$19 and \$11).

The Staff Side of the National Joint Council for Statutory Bodies and Local Authorities today expressed dissatisfaction over the Cabinet Committee's amended rental rates for quarters.

Its secretary, Mr. R. Kalugasalam, said the reduced rentals for quarters in Classes H, I and J, which were mainly occupied by the Industrial and Manual Group workers were not fair as they should, in fact, be free.

He said these rents were not realistic. These quarters had grown obsolete with no maintenance by the authorities concerned since the Harun Commission, he added.