

# Backdating of pay to cost \$80m

# New scales from Oct 1

From K. BALA

**SINGAPORE, Thurs. — The Government has agreed to backdate the salary revision of 372,000 civil servants in groups A, B and C to Oct 1, Datuk Seri Dr Mahathir Mohamad said today.**

The Prime Minister said the Cabinet arrived at this decision yesterday. The three months' arrears will cost the Government \$80 million.

Last October, Finance Minister Datuk Paduka Daim Zainuddin in his Budget speech announced that the salary adjustments would be effective from Jan 1 next year.

Under the revision, Government servants in groups A, B and C will receive an additional \$110,

\$85 and \$65 respectively every month. Workers in group D had already received their salary adjustments in 1985.

Dr Mahathir told this to Malaysian newsmen covering his three-day unofficial visit to Singapore which ends tomorrow. He was asked to comment on a request by Cuepacs president A. Ragunathan that the salaries be backdated to July 1.

Mr Ragunathan made the request at a meeting with the Prime Minister on Monday.

Commenting on the Prime Minister's announcement today, Mr Ragunathan said Cuepacs would make a formal statement after a meeting of its general council on Sunday.

While Cuepacs was quite happy with the Government's response to its plea, Mr Ragunathan said the arrears should be calculated from July 1.

National Joint Council (Staff Side) for Statutory Bodies (NJCSB) chairman Haji Abdul Majid Mohamad Ali welcomed the Government's offer.

He said although the request was for six months, to get three months backdated pay "was good enough".

"We are happy and we thank the Government for its willingness to pay."

Yesterday, the Cabinet discussed the request including the rationale behind the Cuepacs request.

Dr Mahathir said the Cabinet decided on Oct 1 because the announcement on the salary revision was made in that month. He said the decision was based on several factors, including the Government's current financial position.

Dr Mahathir arrived here yesterday primarily to deliver the Ninth Singapore Lecture organised by the Institute of South-East Asian Studies. His lecture last night was attended by a capacity crowd of more than 1,000 people including Singapore Prime Minister Lee Kuan Yew and some of his Cabinet colleagues.

Today, Dr Mahathir met Mr Lee for 45 minutes of talks. Asked to comment on the meeting, Dr Mahathir said the discussions were routine.

Among others, the two leaders discussed the possibility of having more Malaysia Airlines flights from Singapore to Kuching. The Prime Minister said Mr Lee would consider the request.

Dr Mahathir also briefed Mr Lee on political developments in Malaysia.