

Government to study Cuepacs wage hike claims

By Shukor Rahman and Farush Khan

PENANG, Wed. — Datuk Seri Dr Mahathir Mohamad said the Government will study the claims by the Congress of Unions of Employees in the Public and Civil Services (Cuepacs) for a 20 to 53 per cent wage increase.

The Prime Minister said: "We will study the claims before deciding whether these can be entertained."

But Dr Mahathir said the Government was agreeable to any form of wage system that gave due emphasis to productivity.

If the wage hike was due to increased productivity, then it would not result in inflation, the Prime Minister said, adding that any wage increase without a corresponding rise in productivity would trigger inflation.

Dr Mahathir said this at a Press conference after the weekly Cabinet meeting.

This was the first time a Cabinet meeting was held in Penang.

Cuepacs intends to submit these claims next month.

Dr Mahathir said that as the country was facing a labour shortage, the private sector was forced to pay higher salaries to prevent workers from leaving.

"But if this goes on, labour costs will ultimately be so high that industries will no longer prove to be economical in Malaysia.

"The economy will grind to a stop and those who caused the wage increase will lose job opportunities and find themselves unemployed."

There were nearly one million foreign workers in Malaysia but they were mostly unskilled and could not fill some vacancies, he said.

Locals who were offered these jobs were given higher wages.

He said Penang alone

faced a shortage of 15,000 workers a year in the industrial sector.

"Our approach is to increase the types of industry that do not use much labour."

When asked to comment on claims that 11,000 Malays in Penang had joined the DAP, Dr Mahathir said not many Malays would want to join even if the DAP was willing to accept them.

"Not many Malays can accept the DAP which is always harping on chauvinistic issues.

"Those who join should be prepared to become tools of (Lim) Kit Siang," he said.

He hoped that Malays who favour the DAP would get the party's aid to solve their problems.

On if the Johor Military Force would be disbanded, Dr Mahathir said no decision had been made so far because it had not gone through the various stages in Parliament.

"We did not decide not to

disband it. We did not bring the law through the different stages in Parliament. That's all.

"But the idea to disband it is still there."

A bill to disband it had been tabled recently for first reading in the Dewan Rakyat but was withdrawn two days later.

Defence Minister Datuk Seri Najib Abdul Razak said yesterday that the Government had decided to retain the JMF for now.

The Johor Government had decided last year to disband it.

Asked if the Cabinet had made any decision on the fate of Prince Norodom Chakrapong who boarded a Malaysia Airlines flight to Kuala Lumpur on July 3 after an aborted coup in Phnom Penh, Cambodia, Dr Mahathir said the Cabinet today had discussed the matter and affirmed an earlier decision to ask Chakrapong to leave Malaysia as soon as possible.