

Dr M: Government all for pay hikes but within reason

By Ahmad A. Talib

KUALA LUMPUR, Wed. — Datuk Seri Dr Mahathir Mohamad said the Government agrees that its employees should be given salary increases, but added that the quantum must be within its means and ability to pay.

The Prime Minister stressed that the Government wanted to give its employees a pay rise, but this had to be within a certain range.

Dr Mahathir said this when interviewed by journalists over Radio and Television Malaysia tonight. The Prime Minister was asked to comment on three major issues — the environment, the Bakun Dam and the wage demands by public sector employees through Cuepacs, the umbrella organisation for public sector unions — during the programme, *Bersama Perdana Menteri* (With the Prime Minister).

Dr Mahathir said: "We want to increase the salaries, but this has to be within affordable limits. I welcome Cuepacs' willingness to reduce its demands. This can be discussed, and we can provide actual figures regarding its claims, especially the implications."

The Prime Minister was asked to comment on the different figures regarding the wage bill arising out of the wage claims. Cuepacs said its claims would amount to RM4 billion while the Government said the claims would cost RM12 bil-

lion to implement.

Dr Mahathir said that if the Government were to agree fully to Cuepacs' demands, it would affect other sectors.

These sectors would not be able to receive any allocations at all, he said.

"There will be no money for villages, roads and many other things which require Government funds. The Government may also have to borrow money to pay the salaries of civil servants.

"Borrowing money to cover daily expenditures is not healthy. If we were to do this, the country would eventually go bankrupt.

"The money does not belong to the Cabinet. It's also not mine.

"It actually belongs to the people and we have to distribute it fairly among those who work in the Government and to the people, some of whom are rich but many of whom are poor and need Government help."

Programme moderator was Director-General of Broadcasting Datuk Jaafar Kamin, and the panel comprised Berita Harian Group Editor Ahmad Nazri Abdullah and Deputy Editor-in-Chief of the Utusan Melayu Group Khalid Mohamed.

On the differences in Cuepacs' and the Government's calculations, Dr Mahathir said the Government had enough information on its actual spending, the administrative costs and the exact number of workers on its payroll.

The Government also had

a lot more information, he said, adding that when it undertook a pay review, it would take into account all these factors, besides the interests of pensioners.

The Prime Minister said that when salaries were raised, pensions would also go up and the pensions of those who had long retired would also have to be increased.

"This is one of the extraordinary policies we have in this country. A privilege which we accord to Government staff. Even those who are no longer serving us are given a raise in their pensions."

He said all these had been explained to Cuepacs whose calculations were made without the benefit of all the information held by the Government.

"However, I acknowledge that workers — be they in the Government or the private sector — are bound to have their salaries increased. That is why I would agree to a revision as we feel that it is good that their salaries be increased, but only to the extent that we can afford," he said.

Asked about Cuepacs' move to soften its stand after he had expressed dissatisfaction over its methods, Dr Mahathir said he welcomed this and stressed that the demands could be discussed further.

Asked if he was ready to meet Cuepacs now, Dr Mahathir said that before meeting Cuepacs it would be better if it submitted its

demands which had been scaled down.

The Prime Minister was also asked to comment on the New Remuneration Scheme (NRS) which have been criticised. Dr Mahathir was asked to comment especially on allegations that the scheme had elements of favouritism.

Dr Mahathir felt that the NRS was a good method and if there were weaknesses, they could be rectified.

He said the NRS was much better than the old method which only provided for a normal salary increase and did not give incentives to civil servants to improve their performance to gain promotion more speedily.

He said if there was no way of giving incentives and taking action against those who did not do their work well, then everyone would not do their best.

He said the NRS represented a new method which increased the opportunities for promotion and salary increases for civil servants.

The Prime Minister said this differed from past practices governing promotions and increments, where confidential reports would be prepared but the assessed employee would not be aware of its contents.

He said favouritism could still be practised through such confidential reports and in such an event, the officer concerned would have no knowledge of it.

Dr Mahathir said: "What we are now doing is that the

report should be shown to the employee concerned so that he would know what his weaknesses and strong points are. He can then improve his performance."

He said that a bigger number of Government officers benefited from the NRS and if any officer felt that he had been a victim of favouritism, he could always make an appeal.

When asked to explain whether the Government had agreed to a salary revision for civil servants every three years instead of the previous five, Dr Mahathir said the Government would stick to the latter.

He said there was no written record that the Government had agreed to a salary revision every three years even though Cuepacs had asked the Government that this be done.

"But after three years, it (Cuepacs) asked for a revision and I agreed in deference to its wishes," he said.

On Cuepacs' suggestion that the retirement age be increased to 65 years or at least above the current 55 years, Dr Mahathir said the Government had studied the possibility but found that the performance of most of them on reaching the age of 55 was not good.

But the Government was willing to pay them their pension and normal salary if their services were extended and if their performance was really good, he said. "This has been the case among really outstanding officers."