

24 JAN 1996

Anwar-salary '''

HARI RAYA AND CHINESE NEW YEAR CHEER FOR CIVIL SERVANTS

KUALA LUMPUR, Jan 24 (Bernama) -- The government has agreed to pay one month's salary to the more than 800,000 civil servants in advance of their salary adjustment arrears before Hari Raya Puasa next month.

Deputy Prime Minister Datuk Seri Anwar Ibrahim announced the government's decision today, bringing cheer to not only Muslim government employees but also the Chinese as Chinese New Year this year falls a day before Hari Raya.

Anwar, who is Finance Minister, said the Cabinet at its weekly meeting today decided on this after taking into consideration several factors including the appeal made by Cuepacs.

"I will be meeting Treasury officials to expedite the payment so as not to burden the civil servants," he told reporters after witnessing the signing of an agreement on the Al-Bai Bithamin Ajil issue notes between Bank Islam and KL International Airport Berhad at the Finance Ministry here.

Last Monday, Cuepacs sent a telegram to Prime Minister Datuk Seri Dr Mahathir Mohamad appealing to the government to pay part of the arrears of the salary adjustment before Hari Raya Puasa.

This followed a statement by Public Services Department (PSD) Director-General Datuk Dr Mazlan Ahmad that the salary adjustment could not possibly be implemented before the Hari Raya Puasa as the government and Cuepacs had not reached an agreement on the distribution formula.

The government agreed in November last year to allocate RM2 billion for salary adjustment and left it to Cuepacs to decide on the distribution formula.

But the formula presented by Cuepacs was unacceptable to the government as it felt that the formula did not reflect the principle of fair distribution to all groups of civil servants.

Subsequently, the government directed the PSD to submit several alternative proposals for discussion with Cuepacs before any decision was made.

Anwar said the proposal to pay the one month's advance was made by Dr Mahathir as was his intention and that of the government and also not to disappoint the civil servants who had been looking forward to the salary adjustment.

He said the Prime Minister did not want the civil servants to be forced to wait for the arrears just because the government and Cuepacs could not reach a decision on how to distribute the money.

"We can continue to hold discussions. But we'll pay part of the payment first. I hope Cuepacs will be happy with this," he said.

Anwar said the advance would not jeopardise the discussion between the government and Cuepacs or influence the final decision on the distribution formula.

The government hoped civil servants would use the money wisely while traders would not take advantage of the situation to increase prices of goods, he said.

In this respect, Anwar said the Domestic Trade and Consumer Affairs Ministry had been directed to monitor the situation and ensure that traders did not increase prices indiscriminately.

Meanwhile, Human Resources Minister Datuk Lim Ah Lek said the PSD had completed its distribution formula to be submitted to the Prime Minister

before discussing it with Cuepacs.

"Naturally, there are changes in the distribution as not all claims by Cuepacs are acceptable," he said when met at his office here.

He said the important thing was that the distribution must be fair and all civil servants benefited from it. -- Bernama