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Civil servants to get RM400 financial aid each in lieu of bonus

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KUALA LUMPUR, Wed. - Prime Minister Datuk Seri Dr Mahathir Mohamad today announced RM400 in financial aid to each of the 848,000 civil servants to assist them in coping with the current economic problems.

Except for those in the Civil Service Top Management group (Jusa) who number about 800, all other civil servants will receive the aid which will cost the Government a total of RM340 million.

Opening the 21st convention of Cuepacs, the umbrella organisation for public sector trade unions, Dr Mahathir said the aid was to help them meet their children's schooling and other expenditure.

Later, Public Services Department director-general Tan Sri Mazlan Ahmad told reporters that a circular would be issued soon to inform the civil servants as to when the aid would be paid, but he added that the Government would try to do so by the end of the month.

Dr Mahathir apologised to the civil servants because the Government was unable to pay bonuses since the country would be facing a deficit of RM16 billion next year.

"I'm aware that some will not be happy with this offer but this is all that the Government can afford to give," he said.

Dr Mahathir said despite its economic problems and financial situation, it still appreciated the problems that its workers were facing.

Cuepacs and several other bodies had earlier requested that government employees be given incentive in lieu of bonus which the Government could not afford because of the economic downturn.

The Government first gave its 850,000 civil servants bonus of half-month salary or a minimum of RM400 in 1993, followed by one-month salary or a minimum of RM600 in 1994 and 1995.

In 1996 the bonus was also a month's salary or minimum of RM700 for the lowest category and last year's was a month's salary or a minimum of RM700 paid out in two instalments.

Dr Mahathir said the Government appreciated that the trade unions resorted to industrial action sparingly.

"I am happy that trade unions and workers in Malaysia are very careful when it comes to organising strikes or other industrial action, especially during the current economic situation.

"There have been no strikes or unreasonable demands made by the unions."

Given this fact, Dr Mahathir said, employers should appreciate the workers' moderate approach and take advantage of such positive attitudes.

"Where the employers can, they should entertain the workers' demands.

"Due to the current economic situation, their salaries need not be raised if the employers cannot do so, but they must consider giving them flexible allowances.

"The Government will also adopt such an approach," he said.

Dr Mahathir said under modern capitalism which saw currency speculators making profits by devaluing the currencies of other nations and causing much misery to the people, trade unions and employers should work together to save themselves.

"The new capitalists should be fought. Workers should work together with employers to save the businesses, industries and the nation's economy," he said.

Dr Mahathir said civil servants also had a role to play in uplifting the country's ailing economy.

"An efficient and orderly administration contributes to the efficiency in our exports. Any delay or lack of efficiency will only increase production costs," he said.

Earlier, the civil servants, led by Cuepacs secretary-general N. Siva Subramaniam, took an oath of allegiance and support for Dr Mahathir's leadership.

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