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Mahathir calls for civil service revamp

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PRIME Minister Datuk Seri Dr Mahathir Mohamad has called for a revamp of the civil service - by cutting down bureaucratic procedures, minimising delays and speeding up the processing of applications - to help pull the country out of its economic slowdown.

Dr Mahathir said Government employees will have to work harder and put in extra hours to accommodate the needs of the private sector and prevent the country seeking aid from the International Monetary Fund (IMF).

"If we want to improve the economy, we cannot use the old method of (administration) by taking our time to do things ... we need to improve our services and quicken the pace.

"Now more than before, we need to expedite administrative process and procedures. We cannot afford to wait because time means money. The longer it takes to approve applications, the greater will be the losses to the private sector.

"I am asking all civil servants to concentrate on their work ... if there is anything that we can speed up, then we should. If it normally takes a month to process an application, then it should be done in a week or two days.

"By doing this, we can help speed up the economy. We do not want bureaucratic procedures to delay things," he said when addressing staff of the Prime Minister's Department during the excellent services awards presentation yesterday.

With the implementation of Malaysia Inc, the Government is working together with the private sector as the latter is its main source of revenue.

Previously, he said, private companies reaped up to RM2 billion in profits and the Government would have 28 per cent of the profits in the form of taxes amounting to RM560 million.

"However, with a weakened economy, many companies are unable to pay their debts or are losing money. This will affect the collection of taxes from the private sector which indirectly pays the salaries and allowances of the civil servants," he said.

The Prime Minister also warned of salary cuts and possible retrenchments in the public sector if the current economic situation prevails.

Taking an example of the motor vehicle industry, Dr Mahathir said, as the demand for cars dropped, car manufacturers have also reduced their production output and the number of workers.

He said while many of those affected continue to pay 75 per cent of the workers' salaries, companies may not be able to bear the cost if the situation goes on much longer.

"The Government does not retrench workers but the situation will be similar to that of the motor vehicle industry if the Government does not have enough money to pay salaries," he warned.

The civil service procedures which were implemented many years, the Prime Minister said, were found to have contributed to the smooth running of the Government and success of the country.

However, success based on past records are inadequate under the current situation, he said.

The civil service, he added, will need to be constantly upgraded and work habits improved as the quality of its service will have an effect on the private sector and the overall economy.

Painting the worst case scenario, Dr Mahathir said Malaysia may seek IMF help if the economic situation persists or deteriorates.

"However, we do not want to ask the IMF for help as they will implement `heavy' and tough measures without thinking of its implications on the people. Right now, we can still manage.

"If a company is losing money, the IMF solution is to close down the company. They do not care if it means hundreds of people are out of jobs.

"The IMF may also ask the Government to reduce its administration expenditure by closing several departments which it deems unnecessary. They do not worry about its impact to the staff," he said.

The Prime Minister added that the adverse impact of IMF measures can be seen in Indonesia where 24 million people are unemployed.

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