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Zainal-Budget

MTUC WELCOMES 1999 BUDGET, REGRETS NO BONUS FOR CIVIL SERVANTS

KUALA LUMPUR, Oct 24 (Bernama) -- Notwithstanding its disappointment over no provision for bonus for civil servants, the Malaysian Trades Union Congress (MTUC) today described the 1999 Budget as growth-oriented and business-promoting.

With emphasis on infrastructural development and promotion of foreign direct investment, next year's budget closely followed the recommendations of the national Economic Recovery Plan to steer the economy out of recession, said MTUC president Zainal Rampak.

The budget proposals tabled in the Dewan Rakyat yesterday by Prime Minister and First Finance Minister Datuk Seri Dr Mahathir Mohamad positioned the economy on a strong and sustainable growth path next year and through the coming years.

Expressing regrets that the budget made no provision for bonus payment for civil servants, Zainal said bonus payment could be considered as part and parcel of the work culture which also encouraged higher productivity.

"Civil servants are the backbone of the government administrative machinery and they should be rewarded equitably for their efforts and contributions," he said in a statement here.

The MTUC welcomed the proposal to waive income taxes for 1999 as a means to improve the cash-flow position of wage earners and of companies as well as help them to have more disposable income for savings and investments, he said.

This strengthened the government's confidence in the integrity of the tax-payers while easing their financial burden and the MTUC hoped the government would reduce individual income taxes as from next year onwards, particularly for wage earners trying to make ends meet because of soaring of living costs, wage cuts and loss of jobs.

He said the abolition of excise duty on locally manufactured television sets, air-conditioners and refrigerators would help boost the industry which is the country's major revenue earner.

Zainal said the income tax exemption of 70 per cent of statutory income from increased export sales would encourage more employment opportunities in the freight forwarding industry while promoting greater use of local ports.

The MTUC also welcomed the RM1.45-billion allocation for skills training as this would enable retraining of workers desiring to upgrade their skills.

It was pleased by Dr Mahathir's expressed appreciation of the role of the Malaysian trade union movement and responsible leadership of the unions.

Zainal hoped Dr Mahathir would make good his promise to set the national minimum wage of RM1,200 upon economic recovery soon.

-- BERNAMA

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