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Civil servants to get RM600 special payout

A SPECIAL payment of RM600 will be made over six months from July to the country's 800,000-odd civil servants, First Finance Minister Tun Daim Zainuddin announced yesterday.

The Government recognises the need to improve aggregate demand and it is also aware that the people require assistance, he said.

"The Government has implemented various measures to revive the country's economy with the objective of improving the livelihood of the people and to provide opportunities for better incomes.

"It has also acted to increase aggregate demand through investment and consumer spending.

"In line with this, the Government has decided to make an additional payment to the civil servants," he said in a statement.

Pensioners will also receive the additional payment but not the superscale officers.

The Government appreciates and thanks all workers, particularly the civil servants, for their contributions towards creating a positive industrial relations climate conducive for economic recovery, he said.

He added that the Government hopes the workers will strive for greater productivity at all times to help speed up the country's economic recovery.

This is the second time in six months that the Government has decided to make a special financial assistance payment to civil servants. In December 1998, Prime Minister Datuk Seri Dr Mahathir Mohamad had announced a RM400 each to its employees in lieu of a bonus. It involved a payout of RM338 million.

He had said that the Government recognised the hardship faced by civil servants and that the payment was aimed at easing their burden, especially parents who need to buy supplies for their schoolgoing children.

The Government started paying a bonus to its employees in 1993. The quantum was a half-month salary or a minimum of RM400. In 1994 and 1995, a one-month bonus or a minimum of RM600 was announced.

In 1996 and 1997, government employees received a one-month bonus or a minimum of RM700.

Congress of Unions of Employees in the Public and Civil Services (Cuepacs) president N. Siva Subramaniam meanwhile thanked the Prime Minister and Daim, saying the decision was timely as civil servants are currently facing problems given the increase in prices of essential goods as a result of the economic downturn.

"This shows that the Government cares for the civil servants and that we need not resort to threats or take drastic measures to force the Government to meet any claims," he said.

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