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Civil servants to get RM600 each (HL)

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KUALA LUMPUR, Thurs. - A total of 800,000 civil servants will receive a special payment amounting to RM480 million, yet another sign that the economy is getting back on track.

This works out to RM600 per employee, payable in six monthly instalments, beginning next month.

Government pensioners will also receive a sum to be disclosed later.

However, the special payment excludes senior officers in the Civil Service Top Management group comprising those in Super Scale C and above.

First Finance Minister Tun Daim Zainuddin said in a Press release that this was the result of steps taken to increase demand through investment and spending which will enable Malaysians to improve their living standards and also their employment opportunities.

He added that the Government would like to thank all employees, especially those in the public sector, for creating a positive climate for industrial relations.

"The Government would like to urge public sector employees to continuously work hard and strive towards increasing productivity so as to improve the country's economy," he said.

Cuepacs president N. Siva Subramaniam, when contacted, said the organisation was happy with the decision and thankful to Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said this was proof that civil servants did not have to take to the streets for better incentives as the Government was clearly concerned about their welfare.

"The money is very timely considering the present economic situation and each civil servant should be thankful and work harder towards improving the economic situation," he added.

Siva Subramaniam said this sum, together with the RM400 financial assistance paid in January this year, resulted in the majority of the recipients getting more than their previous year's bonus.

"This is especially helpful to those who belong to the lower salary scales," he said.

Last December, Dr Mahathir announced that civil servants would be given a sum of RM400 as financial aid to assist them during the economic situation.

He said the payment, which cost the Government RM340 million, was to help them meet their children's schooling and other expenditure.

Dr Mahathir apologised to civil servants because the Government was unable to pay bonuses for 1998 because the country would be facing a deficit of RM16 billion this year.

Cuepacs and several other bodies had repeatedly requested that government employees be given incentives in lieu of bonus.

The Government first gave civil servants a bonus of half a month's salary or a minimum of RM400 in 1993, followed by one month's 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.

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