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Civil service allowance reinstated (HL)

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KUALA LUMPUR, Fri. - The civil service allowance and fixed entertainment allowance for senior Government servants and police officers, cut in January last year, have been reinstated.

The decision, which is yet another sign of a strengthening economy, will affect about 100,000 officers in the management and professional group, and some in the support group under the New Remuneration Scheme.

The cut, ranging from RM14 to RM606, was made in January last year to reduce Government spending.

A Government official said the Treasury had agreed to the reinstatement.

The decision is expected to cost the Government a few million ringgit more a month in additional expenditure.

The official said: "The senior civil servants and police officers will be given their civil service allowance in full from August.

"This means that if all goes well, they may get their arrears for the month of August this month, or arrears for the months of August and September in their October salary."

It is learnt that the fixed monthly entertainment allowance will also be given out soon.

When contacted, Cuepacs president N. Sivasubramaniam said the congress had raised the matter with Prime Minister Datuk Seri Dr Mahathir Mohamad during the National Economic Consultative Council II meeting last month.

"During the meeting, we had appealed to the Prime Minister to reinstate the civil service and fixed entertainment allowances following the economic recovery," he said.

The Public Service Department is expected to issue a circular on the ruling soon.

The entertainment allowances for officers were cut in January last year by between 11 and 17.5 per cent while that for police officers had theirs reduced by between 10.5 and 17.1 per cent.

However, there were no cuts for those whose civil service allowances were below RM170.

Last week, Chief Secretary to the Government Tan Sri Abdul Halim Ali said civil servants who opted for early retirement might receive full gratuity payment at the time of retirement.

Abdul Halim said the payment of gratuity was among the benefits being reviewed by the PSD.

(Each civil servant receives between RM20,000 and RM100,000 in gratuity, depending on the length and category of service.)

In April last year, the Government made a decision to pay only 10 per cent of gratuity due to civil servants who opted for early retirement. The balance was to be paid after they attained the pensionable age of 55.

Earlier this week, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said the Government had also agreed to recruit about 5,000 uniformed and civilian staff for the police to beef up the force.

There was previously a freeze on the recruitment for all Government positions following the economic problems.

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