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10,892 employees get salary adjustment costing RM92.4m

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SEPANG, Fri - Close on the heels of the RM600 special payment to civil servants, 10,892 employees from five statutory bodies received today another pleasant surprise - confirmation of their long-awaited salary adjustment.

Datuk Seri Dr Mahathir Mohamad today announced total adjustments of RM92.4 million affecting employees from the Social Security Organisation, Employees Provident Fund, Armed Forces Superannuation Fund, Bank Simpanan Nasional and Tabung Haji.

The Prime Minister had a simple reason why the Government agreed to the salary adjustment: the positive signs that the economy was improving.

The salary adjustments work out as follows:

* executive employees receive a "topping-up" of RM200 per month while non-executives get RM150 per month with arrears dating back to Jan 1, 1995;

* entertainment allowance increases of between RM1,000 and RM2,000 per month; and,

* maid allowance increases of between RM500 and RM1,000 per month with arrears dating back to Jan 1, 1996.

Dr Mahathir read out a prepared statement to reporters at the start of his Press conference soon after returning from a week-long state visit to Japan in the Bunga Raya building at the Kuala Lumpur International Airport here.

The increases for senior executives were now at par with the public sector's top management, he said.

Back in 1992 when the five bodies were separated from the public sector, he said salary adjustments were not considered because the economic situation did not allow it.

"The Government remembered...", he said. "The Government very much appreciates the understanding and patience of these employees, especially those in the support group, in facing the situation."

It was hoped that the adjustments would ease the employees' financial burden, especially those in the support group, as well as encourage them to continue efforts to raise productivity, he said.

Asked if the announcement and the special payment for civil servants had anything to do with the forthcoming general election, Dr Mahathir said:

"This has nothing to do with the general election. Actually, it has to do with fulfilling service requirements."

On the opposition parties' contention that the payments had something to do with the general election, he said the opposition felt that if there were no general election, the Government would let the economic crisis go on.

"We manage the administration of the Government to fulfil the needs of the country," he said, "not to meet the needs of the general election."

Dr Mahathir's announcement also forestalls the bodies' planned picket seeking the adjustment.

While praising the gesture, Mohd Noor Abdullah, chairman of the informal joint council of unions of non-affiliated agencies, said the body would study the Government's offer before commenting on it.

However, he singled out Dr Mahathir and Human Resources Minister Datuk Lim Ah Lek as those who worked hard to ensure the statutory employees received their due.

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