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Mahathir-Pay

PAY RISE DEPENDS ON REVENUE COLLECTION, SAYS DR MAHATHIR

SEREMBAN, March 30 (Bernama) -- The salary of civil servants will be raised based on the amount of revenue collected by the government, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said revenue collection could be improved if civil servants carry out their duties expeditiously and efficiently in dealing with the private sector since profits made would be returned in the form of taxes.

"If we are expeditious and efficient, the private sector will make higher profits and the government will collect increased revenue," he said at a dinner with civil servants in Negeri Sembilan here today.

"The salary of civil servants, paid from the revenue collected, can be raised according to the amount of taxes collected."

Dr Mahathir said the government wanted its civil servants to get a higher remuneration but this could not be done if the government could not afford it or if it had to go into debts.

Some 900 people attended the dinner tonight. Also present was Negeri Sembilan Menteri Besar Tan Sri Mohamad Isa Abdul Samad.

Dr Mahathir said the government could not raise the pay of civil servants to the extent that it was unable to implement development projects.

"The people will blame us if infrastructure facilities such as roads, clinics, schools and the like are lacking," he said.

He said revenue collected by the government needs to be administered and allocated prudently.

"Without development projects, the country will not progress. If we work hard and our productivity is high, Insya-Allah, the country will be richer and we will be able to increase our revenue collection and thus pay higher salaries," he said.

Dr Mahathir said the act of causing delays in dealing with the private sector will not only result in delays in the implementation of private sector projects but cause them to incur losses as well.

"If they incur losses, the government will not be able to collect taxes. We prefer to see the private sector making profits, the more profits, the better," he said.

"Because 28 percent of the profits will go to the government in the form of corporate tax, apart from their employees having to pay income tax."

Dr Mahathir said not all developing countries which gained independence at about the same time as Malaysia have been able to collect enough taxes to pay the salaries of their employees and to develop their countries.

"They have had to seek assistance and borrow from other countries," he said.

"I am thankful since I do not like to ask for assistance from others. We have been able to develop and administer the country with our own resources."

Dr Mahathir said in the last regional economic crisis, Malaysia did not seek external borrowings but instead implemented its own economic recovery measures while other affected countries had to seek borrowings, including from the International Monetary Fund.

"We are thus able to maintain our integrity and sovereignty," he said.

He said a country which borrowed from another will be indebted as well and it will no longer be able to decide for itself.

Dr Mahathir also urged the people to be prudent in their spending in helping the government put the country's economy on a firmer footing.

-- BERNAMA

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