

NRS details to be announced once Cabinet endorses proposals

Nst 15 JUL 2002

PUTRAJAYA, Sun. — Details of the restructured New Remuneration Scheme for civil servants, which is expected to include a more equitable and merit-based formula for promotions, will be announced when the Cabinet endorses the proposal, Datuk Seri Dr Mahathir Mohamad said today.

"The announcement will be made once the Cabinet approves it. I have taken a look at it; it is not a question of my endorsement but a question of whether the Cabinet will endorse it," the Prime Minister said when asked if he had decided on the revised scheme.

He said although the Cabinet Committee on Public Sector Employees Salaries and Posts, which he chairs, had given him the mandate to decide, the matter must still be confirmed by the Cabinet.

Asked how soon civil servants could expect the "good" news, he said: "As soon as possible."

On June 5, the *New Straits Times* reported that the country's one million civil servants may soon get a restructured New Remuneration Scheme with a more equitable formula for promotions.

The Government announcement is expected to be a transparent and merit-based scheme which will also reward excellent service.

According to sources close to the long-drawn negotiations between the Public Service Department and Cuepacs, the new structure will benefit more civil servants than the present three-tiered system, which rewards about five per cent of them annually.

On June 4, PSD officials briefed the Cabinet committee on the revision and, due to certain counter proposals from the committee, the PSD was required to make the adjustments.

Cuepacs, the umbrella body for civil service unions, has met with the PSD four times since last year to study and improve the NRS, which caused much unhappiness among civil servants.

Cuepacs president Datuk N. Siva Subramaniam had stated in his earlier remarks that the revised scheme would be an important step towards cultivating a knowledge-based workforce.

The pressing issues that civil servants hope will be resolved include

the controversial matrix salary schedule implemented in 1992, under which only five per cent of civil servants are eligible for vertical and diagonal salary movements each year.

Cuepacs had earlier demanded that the system be scrapped, claiming that it disappointed and frustrated 95 per cent of civil servants.

Instead, Cuepacs proposed that the NRS be replaced with the Single Salary System, which it considered more transparent, systematic and conducive to efficiency and productivity.

The PSD, although not in favour of scrapping the three-tiered salary scheme, was willing to improve on it and had lately agreed in principle to replace the three-tiered system with a two-tiered system.

It was learnt that the revised scheme would provide for the creation of a Human Resource Department at every ministry to develop more transparent annual assessments with an emphasis on merit and excellence.

The department will also devise periodic skills and knowledge tests for civil servants, with the prospect of better salaries, bonuses and pensions for those who excel.