

Government says no to retirement at 58

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SHAH ALAM: The government has rejected the proposal to increase retirement age in the public and private sectors to 58.

The proposal was rejected as such a move would entail a large additional expenditure for the government, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

"We have to cut the coat according to the cloth. We cannot be spending without taking into account our income," he said.

"We can give more money to the people and increase wages but when the country goes bankrupt, we will be faced with problems."

Mahathir said that last year, the government had to consider the proposal thoroughly before increasing the retirement age from 55 to 56.

Such a move would result in the government having to come up with one more year's salary for civil servants.

Mahathir was speaking after after opening the 22nd World Fellowship of Budd-

hists General Conference and 13th World Fellowship of Buddhist Youth General Conference yesterday.

He was commenting on proposals by Cuepacs and the Malaysian Trades Union Congress (MTUC) to raise the retirement age for civil servants to 58 from the current 56 years.

The previous retirement age of 55 was raised to 56 years from September last year.

Mahathir also said such a move would only result in the younger generation being deprived of the opportunity to serve in the civil service as the government has limited money to spend.

On civil servants who despite their retirement are still hale and hearty and can continue to contribute towards the public sector, the prime minister said they could do so in other avenues.

"They get a pension. If they continue to work (with the government) they don't get a pension, only a salary."

Mahathir added that if they go into business or work in the private sector upon retirement, they would be able to get extra money apart from their pension.