

Govt 'no' to raising retirement age

STAR 11 DEC 2002
By FREDERICK FERNANDEZ

SHAH ALAM: The Government has turned down the proposal to raise the retirement age of civil servants from 56 to 58.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the proposal, if accepted, would have far

reaching financial implications for the Government and would also deter promotion prospects for serving employees.

He said this when asked to comment on a recent proposal by Cuepacs and the MTUC to increase the retirement age of government servants by another two years

from the present 56.

"We have to make allocations based on our affordability, we cannot afford to spend without taking into account our expenses.

"We can give a lot of money or have numerous pay increases but then the Government will go bank-

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Dr M: Limited posts in civil service

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rupt and it will be a problem," he told reporters after launching the 22nd World Fellowship of Buddhists and 13th World Fellowship of Buddhists Youth conferences at the Grand Blue Wave Hotel here yesterday.

He said only last year the Government extended the retirement age for civil servants from 55 to 56 which meant that the Government had to absorb higher costs paying the affected workers their last drawn salary for another 12 months.

"If people who are supposed to retire continue to work, it will deprive newcomers from coming in as posts in the civil service are limited," he added.

On arguments that those in their mid 50s still had the capacity to serve diligently, Dr Mahathir said they could continue their good work in the private sector where they could draw a better income.