

29 JUL 2002  
Mahathir-Remuneration  
SSM TO REPLACE THE SSB ON NOV 1

PUTRAJAYA, July 29 (Bernama) -- The Malaysian Remuneration Scheme (SSM) replaces the New Remuneration Scheme (SSB) for government employees on Nov 1.

Prime Minister Datuk Seri Dr Mahathir Mohamad announced the SSM, which will be efficiency and knowledge-oriented to determine the career development and salary increments of government employees, after a meeting with Cuepacs and the Public Service Department (PSD) on the SSB review at his office here today.

Dr Mahathir said: "The SSM is different as this remuneration scheme takes into account the dissatisfaction over the SSB, based on the appraisal of staff by their department heads.

"This exposes the whims and fancies of the department heads...if liked, he'll get, if not, he doesn't."

Dr Mahathir, who is also the chairman of the Committee on the Salaries and Service of Public Sector Employees, said that the SSM would introduce efficiency appraisal procedure through examinations and courses to be made compulsory to all civil servants to ensure the progress of their career and annual salary increments besides the annual appraisal reports and recommendations of department heads.

The prime minister said that the government also agreed to make adjustments to the existing appraisal system through the setting up of a human resources panel in all departments.

He said that all government employees would be given the option to opt for the SSM or remain under the SSB a month before the SSM was implemented.

Civil servants, he said, would be paid a special SSM payment of RM220 for personnel under the Support Group, RM350 for those under the Management and Professional Group and RM650 for the Senior Management Group.

It would be a one-off payment to be made in November, said Dr Mahathir, who is also Finance Minister.

He said that for 2003, all government employees would get normal increments.

Salary movements based on the assesment for the level of competence for 2003 would be implemented in 2004, he said.

Dr Mahathir said that in line with the SSM, adjustments would be made to the salary points with an increase of RM15 for the Support Group, RM65 for the Management and Professional Group and RM110 for the Senior Management Group.

He said that with the implementation of the efficiency appraisal, the matrix salary scale for all grades would be adjusted to two instead of the present three.

The SSM would introduce two salary movements, namely normal increment and incremental credits of salary, he said.

"The government also agrees to add another salary point to the maximum salary for all the salary scales," he said.

Dr Mahathir said the allowances and benefits would also be adjusted under one rate for all the new grades.

On the Excellent Service Award, he said it would no longer be linked to the annual salary movement and the recipients would be rewarded with RM1,000.

To improve opportunities for career advancement, he said, five promotional grades would be created.

Dr Mahathir said the implementation of the SSM would involve an additional expenditure of RM302.58 million this year, RM600.76 million next year RM719.25 million (2004), RM846.13 million (2005) and RM976.86 million in 2006 for the government.

The expenditure for the sixth year was expected to rise to about RM1 billion and would continue increasing thereafter.

The SSB was introduced on Jan 1, 1991, to replace the service scheme under the Cabinet Committee Salary Report which had been in force since 1976.

However, it had drawn dissatisfaction from civil servants, especially over increments and promotions.

Under the matrix system in the SSB, only five per cent of civil servants are eligible for diagonal and vertical salary movement each year.

There are about 950,000 civils servants nationwide who are under the SSB. Under the SSB, the civil servants received a 10 per cent salary increase in 1995, 2000 and early this year.

The review on the SSB started early last year.

When it was pointed out to him that many people had expected a salary increase with the review of the SSB, Dr Mahathir said that the SSM was not about salary increase for civil servants but about a new service scheme.

"When we draw up a new one, we must ensure that there are no contradictions. This is incidental, There's no intention to raise (salary) but what can we do, we have to increase also (following the adjustment)," he said.

He said the implementation of the SSM would involve a financial burden of five per cent of the overall anual expenditure of RM20 billion on emoluments.

Asked whether the new scheme represented goodies for civil servants and was a signal that the general election is imminent, Dr Mahathir said: "Everything is favourable. We believe we can stil win. Maybe in future there will be better things."

On when the next general election would be held, he said: "Very soon, between now and 2005."

Asked whether he was confident that the SSM would produce more efficient and knowledgeable civil servants, he said the new scheme was the result of negotiations between Cuepacs and the Public Service Department (PSD) and its intention was to enable workers to enhance competency and acquire knowledge.

"Cuepacs gave an assurance that the government servants will continue to improve their performance and if they don't, they'll lose," he said.

The prime minister also said that he believed that the civil servants would accept the SSM because it was better than the SSB.

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