

Salary increment for civil servants could lead to large budget deficit - PM

Anwar

Malaysiakini

27 February 2023

Bernama

The government did not propose salary increments for civil servants in the 2023 Budget as it could lead to a large budget deficit, Prime Minister Anwar Ibrahim said.

Anwar, who is also Finance Minister, said a high budget deficit can dampen investors' confidence in the country as they would not be convinced there was a strong political will to manage the country well.

“Our problem now is (we have) debt of RM1.5 trillion with (a current) deficit of 5.6 percent, and if we increase the salaries, our budget deficit may rise to 6.5 percent.

“Nobody will come and invest in our country because they will have no confidence that we have a strong political will to manage the country well,”

Anwar said after attending International Forum on Islamophobia: Meaningful

Engagement Through Madani Discourse in Putrajaya today.

He said this in response to Congress of Union of Employees in the Public and Civil Services Malaysia (Cuepacs) president Adnan Mat's statement that there was no commitment shown by the government to re-evaluate the new public service remuneration system in order to increase salaries in Budget 2023.

Anwar, however, called on Cuepacs to be patient as the government's priority now is to help the poorer groups of the people.

"Just be patient for a while. Is it not important to try to help the hardcore poor who suffer more than the regular workers?"

"Life is also hard for the paddy farmers, fishermen and the hardcore poor... they are also struggling to make ends meet," he said.

Last Friday, Anwar tabled the national budget for 2023 with a total allocation of RM388.1 billion, comprising RM289.1 billion for operating expenditure, and RM99 billion for development expenditure, including RM2 billion as contingency savings.

Under the budget, the government also agreed to give a Special Aidilfitri

Assistance of RM700 to all civil servants of Grade 56 and below, including those on a contract basis, and RM350 to pensioners.

- Bernama

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <https://www.malaysiakini.com/news/656639>