

Cheers for pay increase

Over 1 million govt employees to benefit, Cola doubled

The Star - 22/5/2007

PUTRAJAYA: There were cheers and applause as Datuk Seri Abdullah Ahmad Badawi announced a pay increase of between 7.5% and 35% for the country's one million plus government employees yesterday.

The announcement, made in front of some 3,000 officers and staff who gathered for the Public Sector Workers Day celebration at the Putrajaya International Convention Centre, was carried live on RTM 1.

The Prime Minister said the cost of living allowance (Cola) would double to between RM100 and RM300, while police and armed forces personnel would receive a further 20% on top of the pay rise (or an increase of between 9% and 42%).

Those grouped in the lowest grade or support staff II (with SRP or Year Six qualifications) would see a 35% increase in their basic pay, followed by support staff I (25%), middle management and professional (15%) and top management 7.5%.

This means the post with the lowest pay - that of a cook - will carry a basic salary of RM649.15 per month, up from RM480.85. With fixed incentive payments, this person will be getting about RM1,024 a month.

Apart from in-service staff, the country's 557,033 retirees would also benefit from the pay hike.

"The salary and Cola increases will take effect from July this year," Abdullah said adding that the increase would lessen the burden of those in the lower rung.

The last salary revision for civil servants was carried out in 2002.

The salary and Cola increases would cost the Government an additional RM6.8bil and RM1.2bil annually respectively.

Abdullah called on civil servants to stay clear of corruption, reduce bureaucracy and work harder to further improve the public delivery system, service and productivity.

In deciding on the salary increases, he said, the government had considered several factors like the changing trends, the average growth rate of the Gross Domestic Product (5.6%), the effect of fuel prices on lower income groups, trade volume that had reached RM1tril, the low level of inflation, unemployment



One for the album: Abdullah and his deputy Najib posing with (from) Housing and Local Government Minister Datuk Seri Ong Ka Ting (extreme left), Works Minister Datuk Seri S. Samy Vellu (extreme right), Cuepacs president Omar Osman (third from right, with red tie) and several other Cuepacs members at the Public Sector Workers Day celebration in Putrajaya yesterday.

»The govt had considered several factors in deciding on the salary rise«

DATUK SERI ABDULLAH AHMAD BADAWI

and interest rates and the positive trends at Bursa Malaysia.

"Tax collection and cost-efficiency have increased considerably, while trade deficit had been reduced from 5.3% in 2003 to 3.5% last year," he said.

Abdullah warned traders not to take advantage of the pay increase and increase prices of goods and services.

SALARY INCREASE FOR CIVIL SERVANTS

Group	Current starting salary (RM)	Percentage increase (%)
Higher management (Jusa)	6,135.80	7.5
Management and professional Grade 41 to 54	1,815.87	15
Support personnel Category One Grade 17 to 40	656.30	25
Support personnel Category Two Grade 1 to 16	480.85	35

COST OF LIVING ALLOWANCE (COLA)

Rate	Current	New
A (Kuala Lumpur, Putrajaya, Selangor, Penang and Johor Baru)	150	300
B (Other urban areas in Peninsular Malaysia)	100	200
C (All other areas)	50	100



Star Graphics © 2007/Source: PSD

PERDANA