



Prime Minister Datuk Seri Anwar Ibrahim having a meal at a restaurant in Desa Sri Hartamas, Kuala Lumpur, yesterday. With him is Youth and Sports Minister Hannah Yeoh. BERNAMA PIC

'NOT YET FINALISED'

'PENSION REFORM TO COVER ELECTED REPS'

Nation's economy not sustainable if nothing is done to check ballooning pension bill, says PM

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PRIME Minister Datuk Seri Anwar Ibrahim has given his assurance that the pension scheme review will apply to elected representatives, too.

"Principally, I agree that whatever decision made on the civil service should also apply to political appointees.

"However, this will only be finalised after the study on the review is brought to the cabinet," he said in Desa Sri Hartamas here.

He said if new hires of civil servants do not get a pension, then it would be the same for political appointees, including ministers.

Anwar, who is also finance minister, said he would issue a statement on the matter soon.

He said some quarters had questioned the salaries of the prime minister, ministers and menteri besar, but they were in accordance with the Federal Constitution, so any review could not be applied retrospectively.

"There has been a lot of confusion about this. Listen to the

proposal first. Debate it and study it to provide views for the government to fine-tune it before it is finalised."

Anwar said the country's economy could not be sustainable if nothing was done, referring to the estimate that the country's expenditure on pensions could reach RM120 billion by 2040.

On Wednesday, Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi announced that there will be a new pension scheme for the civil service.

Under this plan, new hires will contribute to retirement schemes like the Employees Provident Fund (EPF) and Social Security Organisation.

The Congress of Unions of Employees in the Public and Civil Services (Cuepacs) has rejected the plan. Cuepacs, other groups and some politicians urged the government to review the pension scheme for political figures before involving government staff.

Health Minister Datuk Seri Dr Dzulkefly Ahmad said those who disagreed with the government's plans to abolish the pension scheme for new hires in the civil service could voice their dissatisfaction in Parliament.

He said if the matter was raised in the Dewan Rakyat, the minister-in-charge would have to give an answer.

"We can discuss this in Parliament. Government backbenchers can raise the issue, so can the opposition," he said after his 2024 mandate speech at the Health Ministry in Putrajaya.

He said the new plan would not be disadvantageous for new civil servants as EPF contributors would receive good dividends.

On Thursday, Umno Youth chief Dr Akmal Saleh suggested that any pension abolishment should start with members of parliament and state assemblymen.

He said while everyone understood the financial burdens of the government, it was unjust to only scrap pensions for people working in the public sector.

In response to that, Dr Dzulkefly said: "I think the suggestion has its merits. Everyone has the right to give suggestions."

Asked if the pension reform would affect the Health Ministry, he said it would not as the attrition rate for medical officers had dropped.

"If we compare with previous years, the attrition rate has fallen. I think they are more comfortable with the current arrangement.

"From 2023 to this year, we have appointed more than 6,300 permanent offers."

PKR Youth lauded the decision to include elected representatives in the pension reform plan.

PKR Youth leadership council member Hafiq Azfar said the move showed the political leadership's willingness to help the government improve the management of finances.

He said the extravagant pensions had long been a subject of controversy, which would now be put to rest with the decisive commitment of the unity government.