

Civil servants to get highest wage increase in history

PUTRAJAYA: Prime Minister Datuk Seri Anwar Ibrahim announced that civil servants will enjoy a salary hike of more than 13% starting December this year, the highest increase in the nation's history.

He said the increase would involve an allocation of over RM10 billion.

"The increase will be more than 13%. The best increase in history, by the *Madani* government," he said in his speech when officiating at the National Labour Day celebration yesterday.

Anwar, who is also finance minister, said under the Public Service Remuneration System which is being revised, the government would ensure that the minimum income for civil servants exceeds RM2,000 per month.

> Salary hike of more than 13%, minimum income to exceed RM2,000 per month

"Currently, the overall minimum income, which includes salary and fixed allowances, is RM1,795 per month."

Anwar said the highest pay hike was 13% about 12 years ago, and the *Madani* government would ensure that this time it would be higher.

"Therefore, we will implement an increase of more than 13% starting December this year because I have promised."

When tabling Budget 2024 on Oct 13 last year, Anwar announced that the Public Service Remuneration System would be

fully implemented from 2025.

"When we start implementing it next year, it (the allocation) will exceed RM10 billion because the amount is quite big and the increase is quite substantial, making it the most significant increase in history.

"We will also assess it from a financial perspective and look for ways to fund it while ensuring that the national debt does not become excessive. This will require exceptional expertise, but no matter how hard it is, we have a duty to fulfil our promise to the people,

including workers.

"And this does not apply to everyone. If their work record is not commendable, if they are lazy, frequently late, or lack focus, they are not eligible for the rewards promised by the government."

Anwar also refuted claims that the government only pays attention to civil servants compared with workers in other sectors.

He expressed hope that private companies would emulate the government's initiative in raising civil servants' salaries.

"Although this announcement does not directly affect the private sector, I want them to pay attention. There are private companies with profits multiplied several times over.

"So, where do these profits come from? Productivity. And where does the productivity come from? It comes from the workers, so distribute a small portion. If the company makes a hundred million, give a few hundred ringgit to the workers."

Anwar said the Sabah and Sarawak governments have agreed to amend their respective labour ordinances to align with the Employment Act 1955, which is applicable in Peninsular Malaysia.

He said the Sabah Labour Ordinance Bill (Amendment) 2024 and the Sarawak Labour Ordinance Bill would be tabled in the next Parliament meeting.

Anwar said Malaysia's position in the Government Efficiency Sub-Index in the IMD World Competitiveness Yearbook had improved to the 29th position in 2023, compared with 38th in 2022, Bernama reported.

"This performance indicates that Malaysia is on the right track to achieving a top 20 position by 2025, as outlined in the Mid-Term Review of the 12th Malaysia Plan."



Anwar flanked by Human Resources Minister Steven Sim (left) and Socso group CEO Datuk Seri Dr Mohammed Azman Aziz Mohammed during the Labour Day celebration in Putrajaya yesterday. - **AMIRUL SYAFIQ/THE SUN**