

Government scraps civil service pay revamp
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PUTRAJAYA, March 8 — Datuk Seri Najib Razak announced today the scrapping of his administration's controversial pay scheme that had been criticised for only benefiting top government servants while leaving the majority of the civil service with paltry salary hikes.

The prime minister said the existing Malaysian Remuneration System (SSM) would be maintained with improvements in place of the new Public Service Remuneration Scheme (SBPA) that was introduced on January 1.

Under the "improved" SSM, Najib announced that the salaries of the Chief Secretary to the Government and top-tier civil servants in the "Premier Service I" (Turus I) category would only be adjusted by seven per cent.

Civil servants in the management and professional groups and Grades 1 to 54, in turn, would see their salaries hiked by 13 per cent across the board, he said.

It was revealed recently that under the SBPA, the Chief Secretary would draw a salary of RM60,000 while those in the "Premier Service" category were to rake in RM36,000, a vast difference from those in the lower pay grades, some of whom were only given increments as low as RM1.70.

The revelation following the obvious disparity between the salaries of top civil servants and those in the lower grades had ignited anger and disapproval in the 1.4 million-strong civil service — a key vote bank for the ruling Barisan Nasional (BN) coalition — ahead of a general election that must be called by May 2013.

But with today's announcement, Najib (picture) said he hoped the decision would ease the anger of civil servants nationwide who have been railing against the SBPA for several months now.

"I pray to Allah SWT that this decision would hopefully be the best resolution to bring benefits and solve all problems faced by the civil service," the prime minister said to some 15,000 civil servants gathered at the Putrajaya International Convention Centre (PICC).

Najib also announced that civil servants in the Superscale Grade (Gred Utama) and Special Grades A, B and C would have their salaries adjusted by nine per cent while those in Premier Scale II and III would be hiked by eight per cent.

He said the government would also form a special commission comprising members from many "important parties" that will be tasked to review in a "comprehensive and holistic" manner all aspects on how to improve the country's civil service.

"Any proposal by the panel will be considered and implemented according to the government's ability," he said.

Apart from the salary hikes, Najib said the SSM's pay structure would be altered from the

matrix pay schedule (JGM) to the "minimum-maximum" pay schedule with an annual wage increase fixed between RM80 and RM320 for those in Grades 1 to 54.

The prime minister also announced that cost of living allowances (COLA) for those in Areas B and C would be hiked by RM50 respectively.

The prime minister had ordered a review of the pay scheme after government unions raised an outcry over the quantum of increase.

A panel was then formed on January 15 to look into the many concerns raised by civil servants and was given a three-month deadline to issue its recommendations to the government.

The panel, led by former Public Service Department (PSD) director-general Tan Sri Ismail Adam and comprising representatives from the PSD, Finance Ministry and Cuepacs, received a total of 1,087 responses during a one-month public engagement process.

However, the latest move raises questions about the internal processes within those in charge of the pay review and the Cabinet's competency to digest beyond the headline figures presented to it when the entire wage scheme was being structured.

The decision to scrap the SBPA is likely to also affect PSD director-general Datuk Seri Abu Bakar Abdullah's chances of becoming the next Chief Secretary.

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