

1,400 'seniors' to get higher housing subsidy

SENIOR civil servants now enjoying subsidised housing will receive an increase of about 20 per cent in their housing allowance this month.

The Government is prepared to spend \$52 million as subsidy for civil servants who rent their own flats but the increase will cost taxpayers nearly \$1 million.

About 1,400 civil servants are now enjoying the subsidy. They are required to contribute only 7½ per cent of their salaries to their rents.

The present allowance ranges between \$1,700 and \$5,600. The adjustment would boost the subsidy between \$2,100 and

\$7,000.

Civil servants who qualify for the housing assistance plan have to be on or above Point 38 on the Master Pay Scale — or a monthly salary of about \$6,500.

NEW SCHEME

The Government provides houses for superscale civil servants drawing a monthly salary above \$10,000.

The majority of the civil servants enjoying subsidised housing get about \$3,700 as housing allowance a month. The adjustment would boost it to \$4,500.

A Government Secretariat spokesman explained yesterday that the adjustment is needed in view of the upward rental movement in the private sector. The last increase was in July, 1977.

Last year, the Government spent \$42 million as housing allowance for 1,289 senior civil servants. But the present housing allowance scheme will soon be replaced by a new programme.

The Government has been working on a new housing assistance scheme which will enable senior civil servants to buy their own homes.

The scheme, now being

discussed by staff associations will benefit nearly 20,000 civil servants.

The Government intends to provide civil servants better benefits in the form of monthly payments for their own homes.

The monthly allowances will be given over a 10-year period but should not exceed 80 per cent of the value of a flat.

Civil servants can also get a government loan equivalent to 10 per cent of the flat value but not more than 12 months of their salary as down payment.

The scheme is expected to come into effect by the middle of next year.