

The Legislative Council meets

\$920m rise for civil servants

The pay increase for Hongkong's approximately 130,000 civil servants this year will cost taxpayers an extra \$920 million.

This compares with the estimated \$700 million for last year.

The majority of civil servants will receive pay adjustments ranging from about 17 to 18 per cent while officers at the directorate level will have their salaries adjusted by about 13.5 to 17 per cent.

The increases will be backdated to April and civil servants will take home bigger wage packets from next month.

The Finance Committee of the Legislative Council approved the salary adjustments yesterday.

These are based on the findings of a survey of pay trends in the private sector during the previous financial year and follow-up discussions between the staff side and the official side of the Senior Civil Service Council.

The chairman of one of the three unions making up the staff side, the Senior Non-Expatriate Officers' Association, Mr Kevin Yan, exclaimed last night:

"All civil servants should be happy about this year's adjustment as it is so far the biggest since the institution of the pay trend survey system (1974).

"It is hoped, however, that the salary adjustment for the civil service, which is a year behind that of the private sector, does not generate any inflationary effect on the economy.

"For if prices go up correspondingly, civil servants — being the fixed-income earners — will not have any adjustment at all in terms of real wages."

Latest Government statistics show that inflation stood at 14 per cent from June last year to last month.

"We are happy to note that all parties concerned have honoured the pay trend survey findings," Mr Yan said.

Earlier this month, the Executive Council put off a decision on the proposed pay rise for a week because some members felt the increases were too high.

Tens of thousands of civil servants were upset as the Pay Investigation Unit (PIU,) which undertook the survey, is a Government body and had threatened industrial action if Exco did not approve the package.

The work of the PIU is now being reviewed by the Standing Commission on Civil Service Salaries and Conditions of Service and civil service unions are awaiting its findings.

The Senior Civil Service Council has also looked into the PIU's workings and according to Mr Yan, "we share the view that until a better alternative can be found, it is working pretty well."

Some private concerns have criticised the PIU system as it only surveys 50 large firms yearly and does not include small or medium-sized firms.

The other two unions making up the staff side of the council are the Chinese Civil Servants' Association and the Association of Expatriate Civil Servants.

There was no denying that civil servants were overjoyed by the big adjustment.

The vice-chairman of the Liaison Office for Public Service Unions, Mr Wong

Wai-hung, expressed surprise at the big percentages.

"Earlier leaks predicted a 15 to 16 per cent rise. But we are worried about the effects of inflation," he said.

Mr Wong was also a little disgruntled by the huge pay rise for the directorate staff.

"For many years LOPSU has maintained that there should be a sliding scale of increases for civil servants. Those on the lower end should get bigger percentage rises," he said.

"We are anxiously awaiting the Salaries Commission's report on the ideal method of pay adjustments," he said.

Other union leaders could not be reached for comment last night.

The new salaries of civil servants on the Master Pay Scale range from \$1,395 at Point one to \$17,990 at Point 51, compared with the existing range of \$1,180 to \$15,230.

The 40,000-odd Model Scale one workers will receive revised salaries ranging from \$1,660 to \$2,610; compared with the present \$1,405 to \$2,205.

Staff of the disciplined services will be paid from \$3,335 to \$17,990 as against the present \$2,835 to \$15,230 in the case of officers and from \$1,950 to \$5,545 as against the present \$1,645 to \$4,730 in the case of rank and file.

The revised directorate and directorate judicial and legal group pay scales range from \$19,350 to \$40,850, compared with the existing \$16,500 to \$36,000.

The \$920 million increases also cover Urban Council and Housing Authority staff.

According to a Government statement: "The estimated financial cost is about \$920 million for the current financial year, covering the civil service, the grant to the Urban Council according to the Memorandum of Administrative Arrangements and reimbursement to the Housing Authority for services paid for by the Government.

"The Finance Committee also approved provision of \$385 million for the current year to provide for appropriate increases in grants to deficiency grant organisations and discretionary grant organisations (subvented agencies)."