

40,000 civil servants catch up with a \$200m pay rise

By Wilson Wong

11.00

FORTY-thousand semi-skilled workers and manual labourers in the Civil Service will get a five to seven percent salary increase in a bid to catch up with pay levels in the private sector.

The pay package will cost the Government an extra \$200 million annually.

The proposed pay rise, which will be tabled at today's Executive Council meeting, is in addition to the overall annual salary review for civil servants starting each April 1.

The Government decided to award its lowest paid employees an additional pay rise after Exco accepted the recommendations of a pay level survey commissioned to study the income differences between civil servants and the private sector.

The survey showed that Model Scale One staff earned 12 percent less than their counterparts in the private sector.

That is in marked contrast to other civil servants, some of whom earn 25 to 50 percent more than their counterparts in private industry.

Salary and fringe benefits will cost the Government an extra \$200 million annually. But a senior Government official said the adjustment would not impose special hardships on the Government. The \$200 million was the most it would spend. The actual payment should be less.

Details of the increase for Model Scale One civil servants, unskilled and semi-skilled workers, will be made public once it has Exco's blessing.

The package will not only increase salaries, it will also bring

improvements to working hours and fringe benefits.

If Exco gives its approval, the package will then go to Legco's Finance Committee and finally must be approved by the full Legislative Council.

It is not expected to go to the Finance Committee before the Lunar New Year in February. This means Legco is not expected to give its blessing until March.

The Civil Services Branch was instructed to reduce the discrepancies between the Government and private sector.

The Government has decided to deal first with the shortfall in Model Scale One salaries, before salary adjustments in other categories — which will include pay reductions for some civil servants.

The Model Scale One civil servants comprise nearly a quarter of the civil service. They earn \$2,500 to \$4,000 a month.

They are either semi-skilled artisans or manual workers spread through nearly every Government department. They earn \$2,500 to \$4,000 a month.

The Model Scale One Consultative Council has been urging the Government to release details of their improvement package since publication of the survey last year.

It was not until last week that the Government finished the package, and was expected to be forwarded today to Exco for approval soon.

"It is a lot of money for the Government and that is why it took such a long time to work it out," said a Government source.