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15pc pay proposal unlikely to alter

By FANNY WONG

THE Government is unlikely to change its proposed 15 per cent across the board pay rise for its 186,000 employees, despite a united call by civil service unions for a 17 per cent increase.

Although a final decision had yet to be taken, Mr Barrie Wiggham, the new Secretary for the Civil Service, said yesterday that it was unlikely the Government would adjust the pay rise offer unless the economic situation changed.

"But the economic situation has not changed a lot in the past few weeks," said Mr Wiggham, who took up his new post yesterday.

The Government will make a final offer for this year's pay adjustment after taking the latest staff proposal to the Executive Council next Tuesday.

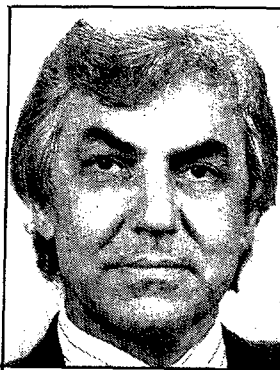
Mr Wiggham said that unless there were new issues and changes in the situation, it would be difficult to justify an upward adjustment.

"I would think many people in Hongkong would regard the 15 per cent increase as being very reasonable, if not generous, in the present situation," he said.

His remarks came only one day after five civil service unions, which represent 110,000 government employees, demanded a 17 per cent pay increase.

Mr Peter Mok Ka-wing, chairman of the Hongkong Civil Servants General Union, said yesterday: "If the administration insists on sticking to its proposal, we will meet again to discuss our next course of action."

According to this year's budget projections, Hongkong is likely to enter a period of deficit in the coming



Barrie Wiggham

years, and the Government has already indicated the need to halt the rapid expansion of public sector expenditure.

Mr Wiggham, who is also an Executive Council member, said the council had to act in a responsible way and its decision had taken into account all factors, including staff reaction.

Broadly speaking, the Government's policy was to follow private sector pay trends, Mr Wiggham said.

According to the present arrangement, the civil servants' pay rise is a year behind that of their private sector counterparts.

If a bad year was followed by a good year, the civil servants' salary increase would be based on the pay trend indicators of the bad year, Mr Wiggham said.

However, the reverse did not necessarily happen when a good year was followed by a bad year.

"In that case, government servants don't get the full benefits, and I know some staff feel it's unfair," said Mr Wiggham. "But we're now facing a difficult time".

"The Executive Council felt there ought to be an adjustment to recognise the difficulties."