

25pc rise in civil service pay bill

By FANNY WONG

SALARY increases, including one special award, granted to civil servants over the past year have added 25 per cent, or an extra \$4.6 billion, to the Government's staff pay bill.

According to Finance Branch estimates, personal emoluments of government staff in 1990-91 would top \$23.5 billion, compared with \$18.9 billion the previous year.

However, the amount does not include the salary costs of staff in the subvented sector, such as hospitals, schools and social welfare institutions, meaning total salary spending will be even higher.

Assistant Financial Secretary Mr Peter Winder, said that the bill was expected to rise to \$24.1 billion in 1991-92, though this figure was based on existing salary levels without taking into account the effect of the annual pay adjustment.

"So the actual figure is likely to be higher," Mr Winder said.

Finance Branch statistics reveal that over the past five years, the staff pay bill has grown by more than 90 per cent. In 1986-87 it amounted to only \$12.2 billion.

A key factor contributing to the soaring staff cost in 1990-91 is the series of reviews to improve the pay, conditions and salary structure of the civil service.

The growing size of the service also contributed to the increase in recurrent spending, which has become a major concern for the Government.

Mr Brian Jenney, the Senior Principal Assistant Financial Secretary, said the total strength of the civil service had grown by 2,335 be-

tween December 1989 and January 1991.

He said the strength, including seconded staff to the Housing Authority and the two municipal councils, stood at 188,251 in December 1989 and had reached a record high of 190,586 in January this year.

Vacancies in the civil service as a whole came to about 11,000 in January, he added.

Excluding seconded staff, however, vacancies have risen to 7,660, or 4.8 per cent of the strength, slightly lower than the 5.4 per cent figure recorded at the end of 1989 when the Government embarked on a plan to cut thousands of posts.

"The vacancy rate [at present] is just about five per cent, which is still a bit too high. It should be no more than three per cent," Mr Jenney said.

"What we're trying to do is to keep the gap of establishment and strength as close as possible."

But he ruled out further deletion of posts to control the size of the civil service.

"We don't want to go through the exercise again of deleting vacant posts," he said.

If necessary, the Government would ensure departments did not expand and would stop them from creating new posts, he said.

In the next financial year, the increase in the establishment of staff, excluding seconded workers, is expected to be about 1,200, while the Hospital Services Department alone will get 1,000 new posts, Mr Jenney said.

"The extent of expansion [in the department] is dictated by new hospitals coming on stream," he said.