

# 10.43pc pay offer angers civil service

By JACQUELINE LEE

CIVIL servants reacted angrily to the Executive Council's move yesterday to offer government staff a pay rise of 10.43 per cent across the board in an attempt to help curb inflation now running at 13.9 per cent.

Junior workers are being offered 2.06 per cent less than the 12.49 per cent according to official pay trend indicators derived from a survey among 71 private firms.

They complained yesterday that they were being asked to bear the brunt of the Government's policy as the package proposed that senior ranks take a cut of only 1.37 per cent from their Pay Trend recommendation of 11.88 per cent.

Other staff said they feared that the cutback, the second in consecutive years, would overturn the established practice of following the pay movements of the private sector.

They warned that inconsistent pay practice would lead to increased conflict within the civil service in the run-up to 1997.

Private sector employers described the offer as generous but feared it would put pressure on public utilities companies, which have yet to settle their pay awards for this year.

Civil service staff had asked for a 14 per cent rise, including two percentage points they lost last year.

One top of the 10.43 per cent, which is the average of the Consumer Price Index (A) over 12 months ending March 31, some civil servants will receive as much as another five per cent in increments on their pay scales.

However, those already at the ceiling of their pay scale, about 45 per cent of the whole staff, will get the flat 10.43 per cent.

The offer, if finally approved by the Executive Council next week, will be back-dated to April 1 and cost taxpayers about \$4.1 billion.

Staff representatives on all four civil service staff consultative councils have until tomorrow to submit a counter-proposal.

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Mr Fung Siu-ming, the staff-side chairman of the Model Scale One Consultative Council which covers public sector blue-collar workers, warned of possible strong protest action.

Mr Fung said junior staff would have lost a total of four percentage points taking into account the 1.46 per cent slashed from last year's award for the group.

"Of course senior officers making tens of thousands of dollars a month can well cope with the huge price rises with a 10 per cent increase. But a 10 per cent rise for people earning \$4,000 a month isn't helping them at all," Mr Fung said.

"We're being victimised, I hope Exco will reconsider

it. We do not rule out the possibility of resorting to strong action."

The vice-chairman of the 50,000-strong Hongkong Chinese Civil Servants Association, Mr Wong Hyo, criticised the Government for again departing from its agreed pay practice with staff.

"Civil service pay policy will be thrown into confusion; it is very unwise of the Government to do this during the transition to 1997.

"In the next six years, can we expect to follow wages in the private sector, or to get what the Government thinks is right, or will it depend on which one of us is stronger in this annual tug-of-war?" Mr Wong said.

He also questioned the link between public sector pay rises and inflation. He noted that price rises dropped from 15.4 per cent in 1981 to 10½ per cent in 1982 although the Government stuck to its pay indicators of 17½ per cent in 1981.

The Secretary for Civil Service, Mr Barrie Wiggham, stressed that this year's reduced increase was an exceptional measure to cope with an exceptional problem.

"I want to make it clear that it's not the civil service alone being asked to bear this burden, to tackle the problem of inflation. The Government is working on a package of measures to tackle inflation.

"I hope that since this is  
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## Pay offer incenses workers

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community problem, other members of the community will also be playing their part."

Mr Wiggham defended the decision to give an across-the-board increase.

"This year, because we're being guided by inflation, we make it across the board."

"The offer recognises the need to contain inflation while broadly maintaining the real value of civil service salaries since the last pay adjustment," he said.

Mr Patrick Maule, co-chairman of the Hongkong Institute of Personnel Management's remuneration committee, said the offer of 10.43 per cent would put strong pressure on private companies to match the increase.

"This figure is a sensible one but it's still quite generous, the private sector will be delighted to get it," Mr Maule said.

Executive Councillor Mrs Rita Fan Hsu Lai-tai appealed to the staff side to accept the offer.

"I think it is a fair offer because we have very high inflation and the economy has started slowing down," she said.