



100 High Street
#07-01 The Treasury
Singapore 179434
www.psd.gov.sg

PRESS RELEASE

No Mid-year Payment for Civil Servants

The Government has decided not to pay civil servants any mid-year Annual Variable Component (AVC) this year in view of the uncertain economic outlook. The Ministry of Trade and Industry has maintained its 2009 GDP growth forecast at -6 to -9%.

This decision is in line with the recent National Wages Council (NWC) recommendations. The zero mid-year payment, together with cuts made previously, will see annual civil service salaries in 2009 drop by 6% to 21% compared to 2008, with those in senior positions receiving the largest reduction.

The annual pay of civil servants is pegged to pay levels in the private sector. The AVC is a component in the flexible wage structure that is adjusted to reflect economic conditions.

The Government will decide on the year-end payment for civil servants when Singapore's economic performance in the second half of 2009 is clearer.

Issued by: Public Service Division
Prime Minister's Office

Date: 4 June 2009

Contact: Andy Ong
Manager
Communications and International Relations

Tel: 6332-7175 / 9737-8335

Email: andy_ong@psd.gov.sg

THE SINGAPORE
PUBLIC SERVICE:
INTEGRITY
SERVICE
EXCELLENCE