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The Editor
Today

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

Benchmark pay includes all bonuses

I refer to "A question on remuneration" by Mr Leong Sze Hian (TODAY WEEKEND, 22-23 Dec).

Mr Leong asked why ministers received a higher percentage wage increase compared to those in the lower grades.

Salaries in the Public Service are pegged to private sector benchmarks. Adjustments will vary depending on how the salaries compare with their private sector benchmarks at that point in time.

As the gap between current salaries and the benchmark was larger at the minister's grade, a larger adjustment was required to approach the benchmark.

Mr Leong also asked whether, with the bonuses, the pay for ministers would exceed 77% of the benchmark.

The total annual pay for ministers includes all bonuses, such as the 13th month payment, the average performance bonus and the GDP bonus. In the latest revision, we have also included the imputed value of the pension.

With all these components included, the salary for ministers at the MR4 grade will reach 77% of the benchmark. The benchmark is itself 2/3 of the median of private sector salaries pegged against.

In his letter Mr Leong has erroneously attributed several quotes to Minister in charge of the Civil Service, Mr Teo Chee Hean. For an accurate account of what Mr Teo said, your readers can refer to reports in the media carried on 13 and 14 December 2007, or the Public Service Division website at www.psd.gov.sg.

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