

## **NOTICE PAPER NO. 6 OF 2009**

### **QUESTION FOR ORAL ANSWER**

(For the sitting on 19 January 2009)

#### **Name and Constituency of Member of Parliament**

**Mr Siew Kum Hong, Nominated MP**

#### **MP's question**

**\*907. Mr Siew Kum Hong:** To ask the Prime Minister (a) what was the average total annual remuneration for the year of 2008 (inclusive of all bonuses) for political appointment holders and civil servants whose remuneration is pegged to (i) MR4 benchmark and (ii) SR9 benchmark; and (b) what was the average amount of performance bonus paid to each of these groups, in terms of the number of months of salary and also in terms of the absolute monetary figure.

#### **Answer**

---

1. The norm total annual remuneration for the year 2008 for political appointment holders and civil servants whose remuneration is pegged to the MR4 benchmark was \$1.92 million. This figure includes the individual performance bonus and all other bonuses for a typical officer. The norm total remuneration for those pegged to the SR9 benchmark was \$398,000.

2. At these senior levels, a significant proportion of the total annual salary depends on the individual's performance and the performance of the economy. For an officer in the MR4 grade, the individual performance bonus quantum can range from 0 to 14 months. A performance bonus of 9 months was used to compute the 2008 norm salary package (of \$1.92 million) for a typical officer on MR4. However, the actual amount awarded would vary with the officer's performance. In 2008, the actual performance bonus paid out for this grade ranged from 6 to 10 months, with an average payout of 8.33 months or \$455,000.

3. For SR9, the individual performance bonus quantum can range from 0 to 8.5 months, with 4.5 months used for computing the 2008 norm salary for a typical officer. In 2008, the actual performance bonus ranged from 0 to 6.5 months, with an average payout of 4.82 months or \$86,000.

4. The above figures are 2008 salaries. This year, we will see a drop in total annual salaries. In November 2008, the Government announced that salaries for political, judicial and statutory appointment holders and Administrative Officers will see a drop of up to 19% in 2009. Total annual salaries at the MR4 grade will fall by 18% to \$1.57 million and salaries at the SR9 level will fall by 12% to \$353,000.

5. With MTI's latest GDP growth estimate at 1.5% for last year, salaries for 2009 will see a further drop. The MR4 salary for 2009 will now be \$1.54 million, a drop of 20% compared to 2008. Salaries at SR9 will now be \$351,000, a drop of 12% compared to 2008. The 2009 salaries are projected salaries for the year. As the salaries are linked to economic performance, the 2009 salaries may be subject to further adjustments, given the volatility of the economy.