

FROM: Permanent Secretary,
Public Service Ministry

TO: All Permanent Secretaries,
Heads of Departments and
Regional Executive Officers

**SUBJECT: The application of the 1980 Wages Policy
Guidelines within the traditional Public Service.**

DATE: 28th April, 1980.

Consequent upon the statement issued by the Comrade Minister of Economic Development in his Budget Speech on 8th April, 1980, outlining government's policy on wages and salaries increases for 1980, approval has been given for the undermentioned to be implemented as early as possible.

2. The wages and salaries within the Traditional Public Service are to be adjusted as follows with effect from 1st January, 1980, inclusive:-

A. Wage Adjustments

- (1) The wages and salaries of all persons in the skill categories listed in the A4 – A14 salary scales and contained in the attached Appendix V, shall be adjusted upwards by 5% on the basic wage or salary rate paid in 1979. In addition, the wages and salaries of those categories shall be increased by a further 5% on the adjusted rate. The new rates applicable to those categories are stated in Appendices VI and VII.
- (2) The basic wage and salary rates of all categories not in (1) above, shall be adjusted upwards by 5% of the basic rates paid in 1979. The new rates shown in Appendices I, II, III and IV attached. However, the following category shall not be included in the adjustment:-
 - (a) Foreigners working within the service under a technical co-operation agreement, whose emoluments are subject to contractual or other special arrangements.
- (3) Organizations and agencies established under special Statutory provisions:-
 - (i) whose operations are wholly financed by the Central Government,
 - (ii) whose names appear in the Estimates document;
 - (iii) against whose names specific allocations are made in the estimates document
may, in so far as their employees have, in the past, been on incremental scales, apply a merit increment approach provided
 - (iv) that the written approval of the Chief Planning Officer, State Planning Secretariat, and the Permanent Secretary, Public Service Ministry, has been obtained;
 - (v) that the total increase in the current wage bill, does not exceed 5% of the current basic wage bill, at 1979 wage and salary rates;

- (vi) that it is established to the satisfaction of the Chief Planning Officer, that the award of increments will be based on an appraisal system which will be rigidly and effectively applied.

B. Incentive Schemes

- (1) Incentive awards are an important part of the wage package. All Traditional Public Sector agencies are required to finalize (in consultation with their respective Unions) their incentive scheme proposals as quickly as possible and submit them to the Central Incentives Committee by the prescribed deadline 30th April, 1980. Guidelines have already been issued to the various Ministries and related agencies.
- (2) This Ministry shall have the responsibility for coordinating the efforts of the Ministries, Departments and other agencies within the Traditional Public Service in:-
- (i) the formulation of Incentive Schemes within the guidelines issued by the Central Incentive Committee and Secretariat; and
- (ii) the submission of these scheme to the C.I.C. by the prescribed deadline.

C. Income tax Relief

- (1) Increases in Income Tax personal allowances to tax payers, as indicated hereunder have been approved with effect from 1st January, 1980.
- (2) Accounting Officers within all Public Sector Agencies are asked to ensure that, subject to any further instructions to be issued by the Commissioner of Inland Revenue, the adjustments in P.A.Y.E. deductions are made promptly, once the necessary rules and regulations are complied with.

<u>Personal Allowance</u>	<u>Present Entitlement</u>	<u>New Entitlement</u>
Personal	\$1,000	\$1,250
Wife	1,000	1,250
Working Wife	400	500
Child	400	500
Dependent	300	375

D. Monitoring the wage payments

In order to ensure that wage adjustments are confined within the guidelines at (A) above, individual public service agencies must monitor the following:-

- (i) the basic wage bill for the months of January to April, 1980, to which the increases must apply;
- (ii) the cost of the 5% skill differential adjustment for the same period;
- (iii) the cost of the 5% across the board increase for the same period; and
- (iv) the numbers initially benefiting from these increase,

and shall feed the date to the Secretary to the Treasury and to this Ministry, which has the responsibilities for implementing and coordinating this exercise within the traditional Public Service.

D. Commencing salary of certain category

Consequent upon the adjustment of salary and wages, the new commencing salary of certain positions within the Public Service are stated at Appendix VIII attached.

E. Difficulties

Permanent Secretaries and Heads of Department shall refer any apparent difficulties relating to this exercise to this Ministry for clarification and resolution.

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J. S. M. Worrell,
Permanent Secretary,
Public Service Ministry.