

18.8 SALARY ON PROMOTION

- 18.8.1 In accordance with the PSC Regulations, promotion is defined as the conferment upon a person in the Public Service of a public office to which is attached a higher salary or salary scale than that attached to the public office to which the officer was last substantively appointed or promoted.
- 18.8.2 Promotion is of two types: class-to-class and grade-to-grade and according to the Human Resource Management Manual (HRMM), these two terms are defined as follows:
- (i) "class-to-class promotion" means promotion to a rank which entails greater responsibilities of a different nature to those previously undertaken and performed; and
 - (ii) "grade-to-grade promotion" means promotion in a higher grade in the same hierarchy which entails greater responsibilities of the same nature to those previously undertaken and performed.
- 18.8.3 At present, an officer, on promotion, joins the initial or flat salary of the higher grade or is granted a maximum of three increments at the incremental point reached subject to the top salary of the higher grade, whichever is higher, provided the total emoluments of the officer is not less than the initial salary and not more than the maximum salary of the higher grade.
- 18.8.4 The grant of three increments on promotion, representing an immediate pay increase of around 10%, and which was first introduced in 1987 is not only fair, but also in line with international practice. However, salary administrators had been faced with a number of difficulties in the implementation of this recommendation particularly in cases where junior officers supersede salarywise senior officers. For this reason, that recommendation was not retained in the 1993 PRB Report, but was reintroduced in the 1998 PRB Report for grade-to-grade promotion only. In 2003, at the request of the staff side and also convinced of its reasonableness and fairness, the Bureau extended the grant of three increments to class-to-class promotion as well, but with certain complementary provisions and safeguards. The application of the three-increments rule in both grade-to-grade and class-to-class promotion was maintained in the subsequent 2008 and 2013 PRB Reports.
- 18.8.5 In this Report, we are again maintaining the principle that all promotions should generally be marked by an increase in salary.
- 18.8.6 The undermentioned provisions are applied in the following specific cases:
- (i) where recruitment to a grade, by virtue of the scheme of service or arrangement in force, is or may be done by **selection** both from serving officers and outside candidates in the same exercise, the serving officer draws the initial salary of the promotional grade or receives one increment if he was drawing the same salary point or more than the initial salary of the promotional grade.

- (ii) where a **senior** officer has been promoted **directly** and an officer **junior** to him has subsequently been promoted **indirectly** to the same grade, i.e, after having obtained another promotion, the salary of the senior officer(s) is adjusted so that the senior officer(s) as well as the junior officer draw(s) the same salary as from the date the officer junior to him has been appointed in that grade.
- (iii) the salary of an officer, who is promoted after having benefitted from the grant of long service increment, is adjusted by the grant of an aggregate not exceeding three increments, inclusive of the increment/s previously obtained for long service.

18.8.7 The Bureau has received representations from the Federations to the effect that all promotion should be marked by at least three increments over and above the provision of the Long Service Increment. We have studied the request which is not justified as Long Service Increment is effectively granted to compensate officers for lack of promotion prospects.

18.8.8 In general, the present arrangements for the grant of salary on promotion have met the desired objectives among the stakeholders and we are not bringing any major changes in the existing provisions.

Recommendation 1

18.8.9 We recommend that all promotions, in general, should be marked by an increase in salary. An officer, on promotion, should join the initial salary or flat salary of the higher grade or where the salary overlaps be granted a maximum of three increments subject to the top salary of the higher grade, whichever is higher, provided the total emoluments of the officer should not be less than the initial salary and not more than the maximum salary of the higher grade.

18.8.10 However, the under-mentioned provisions should apply in the following specific cases:

- (i) where recruitment to a grade, by virtue of the scheme of service or by arrangements in force, is or may be done by selection both from serving officers and from outside candidates in the same exercise, the serving officer should draw the initial salary of the promotional grade or receive one increment if he was drawing the same salary point as the initial or more than the initial;**
- (ii) where a senior officer has been promoted directly and an officer junior to him has subsequently been promoted indirectly to the same grade i.e. after having obtained another promotion, the salary of the senior officer(s) should be adjusted so that the senior officer(s) as well as the junior officer draw the same salary as from the date the officer junior to him has been appointed in that grade.**
- (iii) where a serving officer applies for a grade in the service requiring qualifications of a completely different line than those of his grade,**

- the officer on appointment, joins the grade at the initial of the scale or retains the salary of his previous grade, whichever is the higher;**
- (iv) the salary of an officer who is promoted after having benefitted from the grant of long service increment should be adjusted by the grant of an aggregate not exceeding three increments, inclusive of the increment/s previously obtained for long service.**

- 18.8.11 At present, an officer who has drawn the top salary for a year and who has been allowed to move by either one or two or three increments in the Master Salary Scale after having been consistently efficient and effective in his performance, as evidenced by the Performance Appraisal Report during the preceding two years, and has not been adversely reported upon on ground of conduct is, on promotion, granted a maximum of three increments, over and above the increment/s previously obtained for movement beyond top salary, subject to the maximum salary of the higher grade.
- 18.8.12 This increment has been granted particularly where there are limited number of posts at the next level, causing stagnation of professionals on their top salaries. However, where such officers are promoted to a higher level after having benefitted from movement beyond top salary, there is need to bring the necessary adjustment.

Recommendation 2

- 18.8.13 **We further recommend that, subject to paragraph 18.8.10, an officer who has drawn the top salary for a year and has been allowed to move by either one or two or three increments in the Master Salary Scale after having been consistently efficient and effective in his performance, as evidenced by his Performance Appraisal Report during the preceding two years, and has not been adversely reported upon on ground of conduct should, on promotion, be granted a maximum of three increments, inclusive of the increment/s previously obtained for movement beyond top salary, subject to the maximum salary of the higher grade.**
- 18.8.14 **We additionally recommend that the Standing Committee on Remuneration under the Chairmanship of the Senior Chief Executive of the Ministry of Civil Service and Administrative Reforms and comprising representatives of the Ministry of Finance and Economic Development and the Pay Research Bureau may examine any relevant issue that may arise in the implementation of the provisions of “Salary on Promotion” and make appropriate recommendations.**

