Disciplined Services Rank & File

Points 1 - 19   20.5 calendar days average leave or 16.1
                           working days

Constable   46 hours per week net
(18281 staff)   220 hours average overtime

Annual hours 46 x 52 - (17 + 16.1) x 8.4 + 220 = 2334

Assistant Officer II   44 hours per week net
CSD   negligible recorded overtime
(2801 staff)

Annual hours 44 x 52 - (17 + 16.1) x 8 = 2023

Customs Officers   46 hours per week net
(1556 staff)   80 hours per annum average overtime

Annual hours 46 x 52 - (17 + 16.1) x 8.4 + 80 = 2194

Fireman   55 hours per week net
(2871 staff)   negligible recorded overtime

Annual hours 55 x 52 - (17 + 16.1) x 10 = 2529

Immigration Assistant   39 hours per week net
(532 staff)   60 hours per annum average overtime

Annual hours 39 x 52 - (17 + 16.1) x 7 + 60 = 1856

Points 20 - 37   33.8 calendar days average leave or 26.6
                         working days
                         17 public holidays

Sergeants,   46 hours per week net
Station Sergeants   300 hours per annum average overtime

Annual hours 46 x 52 - (17 + 26.6) x 8.4 + 300 = 2326

Senior Immigration   39 hours per week net
Assistant   20 hours per annum average overtime

Annual hours 39 x 52 - (17 + 26.6) x 7 + 20 = 1743

Senior Fireman,   55 hours per week net
Principal Fireman   negligible recorded overtime

Annual hours 55 x 52 - (17 + 26.6) x 10 = 2424

Senior Customs and   46 hours per week net
Chief Customs Officers   75 hours per annum average overtime

Annual hours 46 x 52 - (17 + 26.6) x 8.4 + 75 = 2101

Assistant Officer I   44 hours per week net
                         negligible recorded overtime

Annual hours 44 x 52 - (17 + 26.6) x 8 = 1939

Annual Base Salary, Job Related Allowances, Overtime Hours and Overtime Pay

Base Salary & Job Related Allowances

The 141 Ranks chosen for study in the non-directorate study covered 137,165 officers with a total monthly base salary of $755,389, 709 and monthly total of $18,623,198 for job related allowances.

From these figures it was possible to determine the monthly average salary earned and average job related allowance paid to officers in any selected rank. This averaging process was in accordance with the Methodology laid down in the Standing Commission Report No. 16, however it does not mean that any specific officer in the selected rank will actually earn, the average salary or receive the average allowance.

An example of the calculation can be seen from the following extract from the Treasury printout:

Rank	Rank Code	No. of Staff	Total Monthly Received (Aug 86)	Total Allowances Received (Aug 86)
Butcher	1737	554	2,491,365.00	188,544

Average Salary per month = $\dfrac{2491365}{554}$ = $4497

Average Annual Salary = $4497 x 12 = $53964

Average job related allowances received = $\dfrac{188544}{554}$ = $340

Average Annual job related allowances received = $340 x 12 = $4083

Overtime

Treasury provided details of overtime & standby duties hours and amounts earned for each grade. Please note we did not take into account Typhoon allowances as these allowances are only paid during the Typhoon Season.

From this printout we were able to assess the average annual overtime/standby/hours worked by officers in each of the selected ranks. An example of the calculation is shown below:

Rank	Rank Code	No. of Staff	OT Type	Units	Amount
Postman	5517	2200	Overtime	88269	1,229,420
			DSSA	0.00	0.00
			SDA	0.00	0.00

Although only 2200 officers worked overtime during the month, to calculate the average per annum worked by officers in the rank we used the total population figure of 2671.

Average annual hours of overtime $= \dfrac{12 \times 88269}{2671} = 397$

Average annual hours of overtime pay $= \dfrac{12 \times 1229420}{2671} = \$5523$

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Housing Benefit
Civil Service

MASTER PAY SCALE 48-51

1.   Non Departmental Quarters

     The Jones Lang Wootton report in detail the value of a large
     sample of government owned non departmental quarters in the
     Civil Service from grade A to grade E.

     Although officers in the Upper Upper pay band are entitled to
     B grade quarters the actual distribution of officers in
     quarters shows that at 1 July 86 over 43% of officers were
     occupying non departmental quarters that were not grade B
     viz.

                           Grade A   6.6%
                                 B   58.8%
                                 C   26.7%
                                CD   4.8%
                                 D   3.1%

     Based upon these statistics and the values provided by Jones
     Lang Wootton for owned NDQ's and the rental values of leased
     NDQ's we calculated the average value for Upper Upper Pay
     Band Officers at approximately $22550 per month or $270600
     per annum.

2.   Example of Calculation of The Value of a Non Departmental
     Quarter

     An example of the value of a non departmental quarter to an
     officer in Upper Upper Pay Band is shown below using the
     Senior Administrative Officer as an example.

          Annual Market Value of NDQ $270600
          Average Salary of Senior
          Administrative Officers $308736

          Annual Value = Market Value of NDQ - 7 1/2% x annual
                         salary
                       = $(270600 - 0.075 x 308736) = $247445

3.   <u>Example of the Calculation of The Average Value of Housing Benefits based on Actual Utilisation</u>

Distribution of Benefits

Home Purchase Allowance	28%
Private Tenancy Allowance	9%
Non Department Quarters	40%
No Benefit Taken	22%
Total	99%

(Note 1% take Housing Loan which has been ignored as insignificant)

An example of the calculation of a typical value is shown below based upon Chief Information Officer rank with an average annual salary $325996

HPA = $10100 x 12 per annum
PTA = $ 9050 x 12 per annum - 7 1/2 % annual salary
NDQ = $270600 per annum - 7 1/2 % annual salary

$$Value = \frac{28}{99} \times (10100 \times 12) + \frac{9}{99} \times (9050 \times 12 - 0.075 \times 325996)$$

$$+ \frac{40}{99} \times (270600 - 0.075 \times 325996) = \$141383$$

<u>MASTER PAY SCALE 38-47</u>

1.   <u>Example of the Calculation of Maximum Utilisation</u>

In the Upper Band the maximum notional utilisation of housing benefits has been taken as Home Purchase Allowance.

An example of a typical calculation based on the rank of Senior Nursing Officer with average monthly salary of $17963.

Equivalent Pay Point	= 40/41
Monthly HPA	= $6800 (approximately)
Annual Value	= $(12 x 6800) = $81600

2.   <u>Example of the Calculation of Actual Utilisation</u>

Distribution of Benefits

Home Purchase Allowance	36.7%
Private Tenancy Allowance	27.5%
No Benefit Taken/Housing Loan	35.8%
Total	100%

An example of a typical calculation based on the Chief Technical Officer rank with an average monthly salary of $20866

Equivalent Pay Point = 43/44
HPA = $8000 x 12 per annum
PTA = $7850 x 12 per annum - 0.075 x annual salary

$$Value = \frac{36.7}{100} \times (8000 \times 12) + \frac{27.5}{100} \times (7850 \times 12 - 0.075 \times$$

$$20866 \times 12) \quad = \quad \$55973$$

Retirement, Medical & Hospitalisation

Assumptions

1.   Economic

        Inflation Rate: 4.5%
        Salary Scale (Annual Salary Increase):   8.0%
        Investment Return: 7.5%
        Mortgage Rate   8.5%

2.   Demographic

        (a)   Female Percent: 28%
        (b)   Service Distribution

        <1   1%
         1-4   27%
         5-9   32
        10-14   17
        15-19   10
        20-24   7
        25-29   4
        30+   2%

                                            100%
                                            ====

        (c)   Age Distribution

        <25   14%
         25-29   24
         30-34   18
         35-39   14
         40-44   8
         45-49   8
         50-54   7
         55-59   5
         60+   2%

                                            100%
                                            ====

(d) Turnover

Age at Termination

<55	2%
55+	1%

Years of Service at Termination

<5	1%
5-9	0.5%
10+	1%

3. Actuarial Assumptions

Disability Rate	0.08%
Mortality Rate	0.1%
Mortality Table:	1983 Group Annuity Mortality Table with 6 Year Setback for Females

4. Assumption laid down in Standing Commission Report No 16

Participation: All employees eligible participate, and use/purchase the highest amount of coverage available.

Employee Profile: When benefits vary by sex and/or dependents' status, it was assumed that the employee was male with a wife and two children of secondary school age.

Methodology

Insurance: Acturial model developed from representative insurance company manual rates.

Dental: Average cost if provided; if not, acturial model developed from representative insurance company manual rates.

Pension: Actuarial valuation.

Provident: Reported percentage discounted for eligibility and vesting.

Specific Approaches

1.   Pension Benefits

     (a)   Plans Valued

           Lump Sum
           Annuity

     (b)   Provisions Valued

           Eligibility (completed service) requirement
           Benefit formula
           Form of payment (annuity or lump sum)
           Normal retirement age
           Vesting
           Cost of living feature

     (c)   Actuarial method

           Projected Unit Credit Method
           Assumptions Used - See Previous Section

2.   Example of Calculation

     Normal retirement age 55 (early retirement 50)
     Formula 1/600 x service months x final salary
     Historial Turnover 2%
     Non Contributory Scheme

     Benefit Accrual in current year for Retirement & Death
     Benefit Purposes

     Benefit (Current) = 1 x 12 x Current Years Salary

                         600

     x Salary increase factor to retirement age (increased at 8%
     to normal retirement age)

     Value of Retirement Benefit Accrued this year

     = Benefit (Current) x *Life Annuity Factor at normal
       retirement age x **Discount factor from normal retirement
       age to current age

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