

**STATEMENT BY THE PRIME MINISTER**

**IN PARLIAMENT -- TUESDAY 20TH MARCH 1973**

It is 18 years, since 1955, when the salary for the post of Chief Minister, and subsequently Prime Minister, was fixed at \$3,500. The position for Ministers became intolerable by 1970, when an adjustment had to be made.

It is time to do a more complete revision of these salaries.

I have discussed this matter with my colleagues in Cabinet and decided as follows:-

(1) All Cabinet Ministers will be paid the salary of \$7,000/-, \$500 more than Superscale Grade 'A' (\$6,500).

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(2) Dr. Goh Keng Swee, who acts for me from time to time, will fill the post of Deputy Prime Minister. It will carry a salary of \$8,000.

(3) Dr. Toh Chin Chye will have a charge allowance of \$700 for discharging the duties of Vice-Chancellor of the University of Singapore, as well as being Minister for Science and Technology.

- (4) Senior Minister of State will be equivalent to Superscale Grade `C' (\$4,500), Minister of State equivalent to Superscale Grade `D' (\$3,500), Senior Parliamentary Secretary equivalent to Superscale Grade `F' (\$2,750), Parliamentary Secretary equivalent to Superscale Grade `G' (\$2,500), and Political Secretary, \$1,750.
- (5) My own salary as Prime Minister will be \$9,500.
- (6) The President's emoluments will be raised from \$4,000, which is tax-free, to \$12,000, with \$4,000 tax-free. However, the President has requested me to inform the House that he does not wish to make use of this increase in his salary.

As in the case of civil servants, these salaries will be effective from 1st March this year, and they will be revised and consolidated every 4-5 years.

In making these adjustments in salaries, two considerations have been uppermost in our minds. First, the need for some rough correlation with the Civil Service pay scales. Second, they should be sufficiently realistic, so that in the

years ahead, it will be not so much of a sacrifice to give up a job in the private sector in order to take on the responsibilities of public office.

It is seldom possible to pay a man in his Ministerial position as much as what he would get, either in running a business or practicing his own profession. Some sacrifice is inevitable. But too great a disparity between Ministerial rewards and what Ministers, with business experience and professional qualifications, could earn outside will make it increasingly difficult to assemble a successor government.

But no salary, however generous, can ensure the complete honesty and integrity with which Ministers must discharge their duties. Honest mistakes, or errors of judgment, by Ministers, however costly, are not as damaging to a country as the suspicion of bias because of corruption. Once a government is tainted with this, the contamination spreads throughout the administration. Then we shall go down the slippery slope, at the bottom of which are carcasses of so many corrupt governments whose peoples have had to suffer for the dishonesty and greed of those in authority.

It may not be possible to gather another team as the one thrown up by the challenge of tumultuous events and cataclysmic change, from Japanese occupation to guerilla insurgency to self-government to merger to separate independence.

But it is possible to set standards of integrity and competence and to establish them as minimum norms for people holding public office.

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	Existing Salary	Super- scale	Proposed New Salary	Charge Allowance
President	\$4,000		\$12,000 (\$4,000 Tax-Free)	
Prime Minister	\$3,500		\$9,500	
Dy Prime Minister (Dr. Goh Keng Swee)	\$4,500		\$8,000	
Min for Sc & Tech (Dr. Toh Chin Chye)	\$4,500		\$7,000	700

Minister	\$4,500		\$7,000
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Senior Minister of State	\$2,500	C	\$4,500
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Minister of State	\$2,500	D	\$3,500
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Senior Parliamen- tary Secretary	\$1,750	F	\$2,750
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Parliamentary Secretary	\$1,750	G	\$2,500
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Political Secretary	\$1,350		\$1,750
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