16.1 END-OF-YEAR BONUS

16.1.1 The payment of an end-of-year bonus to public sector employees is treated as a condition of service since the publication of the 2003 PRB Report. As such it contains an array of provisions essential for dealing with the various situations in the public sector.

16.1.2 For this review exercise, the Federations have made demands for the introduction of a 14th month bonus and for the mode of computation of the end-of-year bonus to be reviewed so that it is based on the earnings of the employees instead of being equivalent to one month’s salary. As regards submission from the MPSAIR, it requested that Advisers/Officers on contract, who pay one month’s salary in lieu of notice to Government when resigning from their employment, be also eligible for the end-of-year bonus. We have thoroughly examined all the representations and consider that the present provisions governing end-of-year bonus are adequate and still valid.

Recommendation 1

16.1.3 We recommend that the undermentioned provisions governing the payment of end-of-year bonus should continue to be enforceable:

(i) Public Sector employees including students, trainees or apprentices who draw an allowance instead of salary/wage whether on a monthly or daily basis are entitled to an end-of-year bonus equivalent to one month’s salary.

(ii) Subject to sub-paragraph 16.1.3 (iv) below, except for Supply Teachers and officers in actingship, payment of the bonus is on a pro-rata basis to all those who reckon less than a year’s service and are still in employment on 31 December.

(iii) For employees who retired during the year, the bonus is calculated on a pro-rata basis according to the period in respect of which they have drawn salary and pension respectively. The same principle also applies to employees who were on approved leave without pay during the year and have resumed duty.

(iv) Subject to sub-paragraph 16.1.3(v) below, employees who were on approved leave with half pay during the whole or part of the year are eligible for that proportion of the bonus which the salary/wage actually drawn during the year bears to the total annual salary/wage.

(v) For Government employees who joined a Parastatal Body/Local Authority (or vice-versa) or employees of a Parastatal Body/Local Authority who joined another Parastatal Body/Local Authority in the course of the year and are still in employment, the following principles are applied:
(a) those who have not resigned from their previous service are entitled to bonus from the Government and the Parastatal Body/Local Authority or from a Parastatal Body/Local Authority and another Parastatal Body/Local Authority in proportion to their respective periods of service during the year in the two sectors; and

(b) those who have resigned from their previous service are eligible only for a bonus in proportion to the period of service with their present employer. However, those who resign from the service to join a Parastatal Body/Local Authority or vice-versa as they do not hold a substantive appointment to be able to proceed on leave without pay are paid end-of-year bonus in proportion to the respective periods in both organisations.

(vi) Employees who have resigned from the service to join the private sector or for their own convenience or have been dismissed or are under interdiction are not entitled to end-of-year bonus. However, those who are reinstated in their posts may be paid the end-of-year bonus in respect of the period they were under interdiction, subject to the approval of the Supervising Officer.

(vii) Advisers/Officers whose contract of employment are not renewed or who give the appropriate notice for termination of their employment are paid the end-of-year bonus provided they have served for at least six months in that calendar year in the organisation and the end-of-year bonus was not pro-rated and integrated in their emoluments. The bonus is in proportion to the period served in that organisation and is paid at the end of December of that year.

(viii) Substitute employees employed “on and off” and paid on a daily basis; resource persons employed on a sessional basis but paid on a month-to-month basis; and persons employed on a sessional basis under a Bank Scheme and who:

(a) reckon continuous employment with the employer for a whole or part of the year; and

(b) are in employment on 31 December,

are entitled to a proportion of the bonus which the salary/wage/allowance/fees actually drawn during the year in respect of normal hours of work bear to the total annual salary/wage of the corresponding grade or where there is no corresponding grade, to a proportion of the bonus which the fees actually drawn during the year bear to the total annual fees of an employee who would have worked full-time.
(ix) Officers acting in a higher grade for a continuous period of 12 months, are paid the end-of-year bonus based on the salary of the substantive post plus any Acting Allowance drawn.

End of Year Bonus to officers who have been in actingship in a higher post or assigned higher duties

16.1.4 Officers who are assigned duties against:

(a) permanent vacancies;

(b) temporary vacancies which would become permanent;

(c) temporary vacancies arising from officers proceeding on leave without pay for a period of at least one year; and

(d) vice officers who were interdicted for a continuous period of more than one year

are paid the end-of-year bonus on the aggregate earnings. In case the officer proceeds on approved leave during the calendar year, the end-of-year bonus is computed on a pro-rata basis, provided the officer had been assigned the higher duties for a continuous period of at least four months in that calendar year.

16.1.5 Supply Teachers, although not in employment on 31 December, are paid the end-of-year bonus on a pro-rata basis provided they have served for at least six months in a calendar year.

End of Year Bonus to heirs of a deceased Public Officer

16.1.6 At present, payment of end-of-year bonus, in case of death of a public officer, is effected on a pro-rata basis to the officers’ legal heirs. We are enhancing the existing provision.

Recommendation 2

16.1.7 We recommend that payment of end-of-year bonus, in case of death of a public officer, should be effected on a pro-rata basis to the officer’s legal heirs. For the purpose of this provision, when an officer has worked for part of the month, it is deemed he/she has worked for the whole month.

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