

**Performance of Hong Kong's Economy vs  
Pay Adjustment for Civil Servants in the Upper Salary Band  
And PAOs for the period from 2002 to 2011**

Financial Year (Apr Y1 – Mar Y2)	Civil Servants in the Upper Salary Band	PAOs	Economic Indicators		
	Actual Pay Adjustment (%)	Actual Pay Adjustment (%)	Calendar Year (Yn vs Yn+1)	Change in CPI (C) (%)	Change in GDP (In chained (2009) dollars) (%)
2002-03 *	-4.42 (w.e.f. 1.10.2002)	-4.42 # (w.e.f. 1.10.2002)	2002	-2.8	1.8
2003-04	-3.01 (w.e.f. 1.1.2004)	-10.00 ## (w.e.f. 1.4.2003)	2003	-2.9	3.0
2004-05	-3.10 (w.e.f. 1.1.2005)	—	2004	-0.9	8.5
2005-06	—	—	2005	+0.8	7.1
2006-07	—	—	2006	+2.2	7.0
2007-08	4.96	11.10 ### (w.e.f. 1.7.2007)	2007	+2.7	6.4
2008-09	6.30	—	2008	+4.7	2.3
2009-10	-5.38 (w.e.f. 1.1.2010)	-5.38 #### (w.e.f. 1.7.2009)	2009	+0.6	-2.6
2010-11	1.60	—	2010	+2.1	7.0
2011-12	7.24	—	2011	+5.1	5.0
			<b>Cumulative change</b>	<b>15.3</b>	<b>52.4</b>

\* The Political Appointment System was introduced on 1 July 2002.

# The remuneration for PAOs was reduced along with the civil service pay adjustment as approved by FC.

## PAOs accepted a voluntary pay reduction of 10%.

### The remuneration for PAOs was 'restored' with effect from 1 July 2007 to the level approved by the LegCo FC in 2002.

#### PAOs accepted a voluntary pay reduction of 5.38% which is still effective today.