

## **Singapore PM faces 36pc pay cut, still world's best paid**

**Reuters**

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SINGAPORE, Jan 4 — Singapore Prime Minister Lee Hsien Loong and his ministers will see their pay slashed by about 36 per cent as the government responds to opposition complaints over their high salaries but Lee will remain the world's best-paid leader.

Singapore pays its government members and civil servants generously to attract top talent to the public sector but leaders' pay has been criticised as excessive by the opposition, which made historic gains in a general election last May.

Lee earns more than S\$3 million (RM7.3 million) a year but will see that reduced to S\$2.2 million (RM5.4 million) under the recommendations of a review committee he appointed last year, the committee said on its website.

The committee was set up after the parliamentary elections that saw the tiny opposition make historic gains against Lee's People's Action Party (PAP), which has ruled Singapore since independence in 1965.

Despite the pay cut, Lee's salary will still be three times that of Hong Kong Chief Executive Donald Tsang, the world's next highest-paid political leader who takes home about US\$550,000 (RM1.7 million) a year.

Australian Prime Minister Julia Gillard will get about A\$480,000 (RM1.6 million) a year under proposals unveiled recently while U.S. President Barack Obama earns about US\$400,000 (RM1.3 million).

The annual salaries of Singapore ministers will start from S\$1.1 million (RM2.7 million) which is a cut of 37 per cent, the committee said.

The opposition said linking leaders' salaries to what they could earn in the private sector meant they only focused on the rich.

"The pegging of the salaries to top earners has led to the PAP to focus on increasing the wealth of the richest in the country while neglecting the poor," the Singapore Democratic Party (SDP) said in a November proposal.

The opposition party proposed instead that ministers earn a multiple of what the lowest 20 per cent of wage earners get.

Many Singaporeans complain about rising prices for basics such as housing and transport on the island, which has seen an influx of foreign workers over recent years.

According to data from the Ministry of Manpower, the income of the bottom 20 per cent of Singaporeans was flat or negative in the 10 years to June 2010.

Details of the committee's recommendations on ministerial pay were released at a media briefing earlier on Wednesday that was open only to domestic media.

The review committee's recommendations will be debated in Parliament on Jan. 16, the state-owned broadcaster Channel NewsAsia said on its website. Lee has said the government would accept the committee's recommendations.

The salary cuts will be backdated to May 21, the committee said. — Reuters

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