

The “Net Pay Trend Indicators” (“Net PTIs”) Calculated from the Findings of the Pay Trend Survey (PTS)

In accordance with the established civil service pay adjustment mechanism, the Government will deduct the civil service payroll cost of increments (PCIs) for each salary band from their respective “gross PTIs” to arrive at the “net PTIs”. In considering the 2019-20 civil service pay adjustment, the Chief Executive-in-Council also decided to put a cap on the PCIs to be deducted from the gross PTIs. Specifically, from the 2019-20 civil service pay adjustment onwards, the average PCIs from 1989-90 to 2019-20 for the upper, middle and lower salary bands (the average PCIs) which are 1.04 per cent, 1.03 per cent and 1.16 per cent respectively, or the actual PCIs for the particular salary band for the year, whichever is the lower, will be adopted for deriving the “net PTI” for that salary band.

The average PCIs for the three salary bands are all lower than the respective actual PCIs for this year. The average PCIs mentioned above are thus adopted in calculating the net PTIs for the three salary bands in 2026-27 as set out below:

Salary band	Gross PTIs¹ [A]	Average PCIs from 1989-90 to 2019-20² [B]	Actual PCIs for this year	Net PTIs³ [A]-[B]
Upper (monthly salary from \$81,511 to \$163,905)	5.16%	1.04%	1.30%	4.12%
Middle (monthly salary from \$26,590 to \$81,510)	3.67%	1.03%	1.42%	2.64%
Lower (monthly salary below \$26,590)	2.33%	1.16%	2.16%	1.17%

¹ The tentative findings of the 2026 PTS which are subject to the validation by the Pay Trend Survey Committee (PTSC).

² PCI is expressed as a percentage of the total civil service salary expenditure of the respective salary band of that year.

³ Net PTIs is one of the six factors to be considered by the Chief Executive-in-Council in deciding annual civil service pay adjustment. The finalisation of the net PTIs for 2026-27 is subject to the validation of the gross PTIs by PTSC next week.