

CHAPTER 16

LEAVE PASSAGES

16.1 INTRODUCTION

Proposal in Report No. 7

16.1.1 In Report No. 7, we recommended that leave passages should be included in total passages and valued on the basis of the appropriate air tariff, or the monetary value, if stipulated. In cases where the allowance was extended to an employee's family, it should be assumed that an employee received the equivalent of three adult fares per annum.

16.2 WORKING GROUP'S VIEW

16.2.1 The Working Group similarly recommended that where a cash allowance was given, the maximum amount should be taken as the value, and where travel tickets were provided, the current tariff rates should be used to calculate their value.

16.3 PAY RESEARCH ADVISORY COMMITTEE'S PRELIMINARY VIEW

Leave Passages in the Civil Service and the Private Sector

16.3.1 In the civil service, only expatriate officers and local officers at Directorate level were entitled to leave passages. In the private sector, employers provided passages mainly to their expatriate staff but some employers provided passages or some form of travel allowance for their senior local staff.

Leave Passages as Part of Total Pay Packages

16.3.2 Where passages were provided, they were usually of significant value and it was therefore necessary to include this benefit in total pay packages for pay level surveys. This was consistent with the view of the Working Group. As local civil servants below the Directorate level were not entitled to leave passages, the inclusion of this benefit would only affect private sector total packages.

Valuation Method

16.3.3 The Working Group recommended that, where a cash allowance was given, the maximum amount should be taken as the value of that allowance and, where travel tickets were provided, the current tariff rates should be used to calculate their value. Basically, the Pay Research Advisory Committee agreed with the Working Group's recommendation. However, it suggested the following additional rules to avoid ambiguity :

- (a) where the maximum entitlement to leave passages varied with family circumstances, the entitlement appropriate to a family consisting of a couple and two children should be taken as the value of the benefit; and
- (b) where more (or less) than one passage was provided each year, the appropriate annual pro rata value should be taken as the value of the benefit.

16.4 CONSULTANTS' ADVICE

16.4.1 Leave passages were not referred to TPF & C for advice.

16.5 PAY RESEARCH ADVISORY COMMITTEE'S RECOMMENDATION

16.5.1 The Pay Research Advisory Committee recommended that leave passages in the private sector should be included in total packages for pay level comparisons and that these benefits should be valued as follows :

Pro rata annual value of the entitlement, assessed on the basis of the maximum amount of cash allowance or the current tariff rates for travel tickets, having regard to the standard family size.

16.6 VIEWS EXPRESSED AT PAY LEVEL SURVEY ADVISORY COMMITTEE MEETINGS

16.6.1 The Association of Expatriate Civil Servants suggested that the value of non-standard passages should be taken as the basis for the valuation of passages for expatriates in the civil service in the separate set of data on expatriate pay and benefits. (Paragraph 4.7 of the PLSAC's Report Part II at Appendix X refers).

16.7 STANDING COMMISSION'S RECOMMENDATION

16.7.1 We recommend that, as only expatriates in the civil service are entitled to leave passages at the non-Directorate level in the civil service, only leave passages in the private sector should be included in total packages for pay level comparisons and valued in accordance with the formula suggested by the Pay Research Advisory Committee in paragraph 16.5.1. As mentioned in paragraph 8.3.4, we have recommended that a separate chapter on expatriate pay and benefits will be compiled but in the valuations, only local terms of service will be taken into account.