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## **FACTSHEET ON ERRORS IN PUBLIC SERVICE HR RECORDS**

### Overview

1. In the process of upgrading the Civil Service's HR and payroll IT systems, PSD discovered errors in the HR records of some civil servants. Internal audits and checks also surfaced errors in the calculation of some components of compensation and benefits for some civil servants over the years. In total, about 3,000 former and currently serving officers in the Civil Service were under-compensated as a result of the errors. This is about 2% of the civil servants in service over the past two decades.
2. All errors in the IT systems have since been corrected. The Public Service will step up the training of corporate service officers in areas such as system management and data integration. We will also put in place a system of regular audits and checks.
3. Although Statutory Boards (SBs) have autonomy over their own HR policies, PSD is working with all SBs to also check and verify their own HR records. This process of proactive checks is in progress. SBs will similarly make good any errors uncovered.

### Errors in Full-time National Service (FTNS) duration records

4. The Civil Service recognises the full period of FTNS as part of the length of service of male civil servants. This is intended to ensure that civil servants who served FTNS are recognised for their contribution in terms of eligibility for service benefits in the Civil Service, compared to their cohort-mates who did not serve FTNS. The FTNS duration of each male civil servant may vary depending on his date of enlistment. It can range from 3 years (for servicemen who were Commissioned Officers and enlisted before Jan 1971) to 2 years (for all servicemen who enlisted from Dec 2004). This is because MINDEF had,

over the years, introduced cuts in FTNS liability to keep NS no longer than necessary for Singapore's defence needs.

5. Since 1991, it has been MINDEF and MHA's practice to grant a reduction in FTNS liability<sup>1</sup> to PES A/B1 enlistees who attained at least NAPFA Silver standard for those who enlisted prior to 1 Apr 2015, and at least 61 points for those who enlisted from 1 Apr 2015 onwards, for their pre-enlistee Individual Physical Proficiency Test (IPPT). Currently, such enlistees are enlisted 2 months later than their peers and will complete FTNS at the same time as their peers.
6. Since 2002, the Civil Service has recognised the 'fitness cut' period that a full-time national serviceman was eligible for, as part of the NS period recognised for the purposes of determining starting salary and service benefits.
7. Errors were discovered in the FTNS duration reflected in the records of some male civil servants. The errors were a result of the omission of fitness cut duration and data entry errors by agency HR officers.
8. The areas of impact to some male civil servants are – (i) Retirement Benefits; (ii) Higher Leave Eligibility; (iii) Long Service Awards (LSA); (iv) Extended Sick Leave quotas; and/or (v) Starting Salaries. The majority of the 1,400 civil servants who were under-compensated due to the errors had 1 to 2 months of shortfall in their FTNS duration recorded.
9. Apart from updating FTNS records in the HR IT system, rectifications for those under-compensated by the errors include (i) recomputing pension amounts; (ii) granting one-time leave difference (iii) bringing forward the next tier of LSA and paying out awards that may have been missed out; (iv) compensating those who had to utilise No Pay Leave (due to insufficient sick leave); and/or (v) rectifying the shortfall in starting salaries (where applicable).

#### Errors in Medical Leave Wages (MLW)

10. Civil servants, with the exception of specified uniformed officers, are covered under the Work Injury Compensation Act (WICA). Under WICA, injured employees are eligible for service injury leave, and will be paid medical leave wages (MLW) as compensation for the duration of the leave.

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<sup>1</sup> Those enlisted between Jun 1991 and Jun 1993 were given a 1-month cut in their FTNS liability. From Jun 1993 onwards, enlistees who met the physical requirement were given a 2-month cut in their FTNS liability.

## **EMBARGOED UNTIL 18 NOVEMBER 2020, 1700HRS**

11. The formula for computing MLW based on *average monthly earnings* was not built into our HR and IT payroll systems, resulting in MLW being computed based on *gross monthly salary* instead<sup>2</sup>.
12. Some 1,000 civil servants were adversely impacted by the error and will be compensated.

### Errors in pensioner refund

13. Civil servants who were eligible for retirement benefits but have non-pensionable service<sup>3</sup> may choose to refund the employer's CPF contributions received during their time of employment with the Government, when they retire from the Civil Service. In doing so, their non-pensionable service may be counted for retirement benefits.
14. There were errors in some of the CPF rates entered into the HR IT system that computed the CPF refund amounts resulting in some individuals paying an excess CPF refund amount.
15. Some 500 (less than 2% of the total Government pensioner population) were adversely impacted by this error. We will return the excess CPF refund amount to these individuals or their dependants. We will not recover any under-payments due to the error.

**PUBLIC SERVICE DIVISION  
18 NOVEMBER 2020**

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<sup>2</sup> Average monthly earnings are computed based on an officer's earnings over the past 12 months before the accident date. Generally, this includes the officer's gross monthly salary, bonuses and overtime pay, but excludes transport allowances and reimbursements.

<sup>3</sup> Civil servants with non-pensionable service would have received full CPF contributions during that period. This period would not be counted for pension purposes by default.