Dear Sir,

Review of Civil Service Pay Policy and System

Regarding your letter dated 25.4.2002. I forward herewith my personal view on and suggestion on the Review of Civil Service Pay Policy and System.

- 2. I agreed to make clear our objective which is to identify ways to improve the Civil Service pay policy and system with a view to modernizing them; making the system simpler and easier to administer; and building in more flexibility to facilitate the matching of jobs, talents and pay.
- 3. To proceed with the new policy. I do propose to clear all the employment regulations regarding the terms and conditions of the employment of civil servants phase by phase, i.e. for civil servants reaching the age of 55-60, 50-54, 45-49, 40-44, 35-39, 30-34, 25-29 and 18-24 respectively.
- 4. Hoping the coming five years, the traditional terms of "Golden Bowl" would be demolished into the conditional terms of employment subject to be review of the pay scale and promotion prospect annually.
- 5. We do bear in mind the need to continue to offer an attractive and worthwhile career for people with a mission to serve the community while taking due account of the wider costs and benefits to the community.

