

**Tung Wah Group of Hospitals' Response to
Consultation Paper on the Review of Civil Service Pay Policy and System**

Comments on the five areas of study:

(a) Pay policies pay system and pay structure

A clean wage policy is supported for it would streamline the administration procedures and reduce administration cost.

It is agreed that

- senior civil servants should be subject to a pay policy with more emphasis on risk/award factors;
- the disciplined services pay individually deserves a differential treatment with reference to their job nature and level of risk in their operation;
- regular review of pay comparable to the private sector should be conducted and;
- the Government's affordability should be an overriding factor in pay adjustment.

Based on the existing pay policy and system, features that could maintain the stability of the staff force could be considered for retention and the basic system/pay structure could be further streamlined.

(b) Replacing fixed pay scales with pay ranges

The introduction of flexible pay ranges would bring about divisiveness among the civil servants and changes to the culture of the civil service and the existing performance measurement/appraisal systems. Moreover, it is considered difficult to implement a new culture of flexible pay ranges with objective performance measurements in the civil service.

In line with our comments on the pay system and structure, the Government could consider introducing the flexible pay ranges to the senior civil servants who shoulder heavier responsibilities and to both the civilian and disciplined grades.

(c) Pay adjustment system and mechanism

It is agreed that the present pay adjustment system can still generally be regarded as fair and there is always a possibility of finding a better system. In line with our comments on the pay policies, fiscal constraint should be an overriding factor in determining pay adjustments. In addition, we have reservation on decentralizing the pay administration to departments.

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(d) Introducing performance-based rewards

Subject to further study, support for a performance-based award system could be considered and it should preliminary be confined to the senior civil servants. It is considered that changes to the staff appraisal system would depend on how the performance-related pay system is introduced.

(e) Simplification and decentralization of pay administration

It is agreed that certain general/common grades staff can be departmentalized for facilitating department-based management. Also, the existing grades and rank structure can be simplified and formal job evaluation system, if implemented, should be operated at the departmental level.