



TAXATION OFFICERS' BRANCH
HONG KONG CHINESE CIVIL SERVANTS' ASSOCIATION
c/o INLAND REVENUE DEPARTMENT
REVENUE TOWER 5 GLOUCESTER RD.,
HONG KONG.

香港政府華員會
稅務主任分會
c/o 稅務局
香港灣仔告士打道5號
稅務大樓

The Joint Secretariat for The Advisory Bodies on Civil
Service and Judicial Salaries and Conditions of Services

29 June 2002

Dear Sirs

Re: Civil Service Pay Policy and System Review 2002

I refer to the interim report and the consultation paper as announced by the Task Force after completing phase one study. On behalf of members of our grade, i.e. The Taxation Officers Grade, I am now forward our views in the ensuing paragraphs.

Pay Policies System and Structure

In Hong Kong, the present civil service pay policy is aimed at offering sufficient remunerations so as to attract, retain and motivate the staff to provide the public with an effective and efficient service. Such objective is a MUST whenever planning a new pay policy or system within the civil service is needed. Therefore, provision of a competitive and attractive pay and conditions of service as compared with that in the private sector is essential. In this regards, regular review of the pay level, structure and pay trend survey is necessary.

As mentioned in the interim report, the Government's affordability has become a prominent factor when deciding the pay policy in the countries studied. We understand only a government with a sound financial status can provide an effective and efficient service to the public. Yet we think that the affordability should not be an over-riding factor when designing a pay policy for the civil servants. Morality of the staff must also play an important role in this aspect.

Replacing Fixed Pay Scales with Pay Ranges

At present, it is not an appropriate time for introduction of pay ranges replacing existing fixed pay scales. We note that the pay ranges system may provide a fairer system of rewards based on the performance merit. Somehow, without a fair just and effective performance measurement and management, the implementation of the pay ranges system will definitely cause a great divisiveness among the civil servants, nonetheless to say, the morality of the staff. On the other hand, a drastic changes in the existing performance measurement and appraisal system would be necessary for supporting the introduction of the pay ranges system.

Pay Adjustment System and Mechanism

In general, when designing the remuneration of the civil servants, the principle of broad comparability with the private sector should continue to be adhered to. Indeed, this is another effective stimulant that could retain the staff, apart from provision of job satisfaction and security and in turn minimize the turnover of the staff



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In our opinion, the existing pay adjustment mechanism is a rather fair mechanism for comparing the remunerations received by the civil servants and the staff in the private sector. As this system was introduced some 20 years ago, a review of the methodology employed would be necessary.



Performance-based Rewards

Apart from the pay ranges, consideration should be given for other forms of performance-based reward, such as one-off bonus.

Simplification and Decentralization of Pay Administration

In case a departmental-based management is introduced, all the current/common grade officers in the departmental should be departmentalized so as to provide better administration and control framework in the department.

Yours faithfully


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Chairman