

Opinion of The Association of Customs and Excise Service Officers
On the Review of Civil Service Pay Policy and System

The Association of Customs and Excise Service Officers (ACESO) supports in principle that the review of Civil Service Pay Policy and structure should be conducted on a regular basis to meet changes and need of the society. However, the ACESO would also like to stress that the following 2 principles should be considered when conducting the Review of Civil Service Pay Policy and System: -
 Firstly, the salary of the Civil Service must be attractive enough to recruit suitable candidates and to retain staff in order to **maintain the stability of the whole Civil Service.**
 Secondly, the salary of civil servant must be high enough to **Prevent Corruption and Promote Integrity.**

Listed below are our views on the 15 questions put forward: -

Major Questions To Be Addressed	Opinion of ACESO	Remarks
1 Should there be a major overhaul of the civil service pay policy and system, should more emphasis be put on performance-pay, clean wage policy, etc., and building in more flexibility for adjustment?	Disagree	Although we support in principle that the review of Civil Service pays policy and structure should be conducted on a regular basis to meet new changes, we object sharp changes and major overhaul on the existing system, which has been proven effective and fair. The performance-pay is impracticable. Some allowances may be obsolete, but housing, education and medical benefits should be retained.

2	Should senior civil servants be subject to a pay policy, which is different from that of the middle-ranking and junior ranks, placing more risk/award factors on the former?	Disagree	We object if "senior civil servant" refers to officer whose pay is over MPS Point 33. This will weaken job security and cause instability to the whole civil service.
3	Should the disciplined services' pay be treated differently from the rest of the civil service?	Strongly Agree	Disciplined Services have their unique features. The job nature, working conditions and restrictions are completely different. The duties of Disciplined Services are beyond comparison with the rest of the Civil Service and other professions.
4	Should we adhere to the principle of broad comparability with the private sector and continue to conduct regular pay level, pay structure and pay trend surveys to ensure that civil service pay remains competitive?	Partially Agree	It is our basic principle that the Civil Service pay should remain competitive for staff recruitment and retention, and that the pay trend survey should be continued. We do not totally agree to the principle of broad comparability with the private sector for all posts. Bearing in mind that most Government posts are not comparable to that in the private sector.
5	Or should Government's affordability to pay be an over-riding consideration in pay adjustments?	Partially Agree	Government's affordability should be considered but should not be an over-riding consideration in pay adjustments.

6	Should flexible pay ranges be introduced into the HK Civil Service to replace fixed pay scales?	Strongly Disagree	<p>We think the flexible pay ranges system is Not practicable and object the introduction of it into the HK Civil Service. The system will create unfairness and affect the stability of the whole Civil Service. The problems caused will out weight benefits brought.</p> <p>The existing fixed pay scales reflect the "experience gained" by a civil servant over the years.</p>
7	Is the existing pay adjustment system still regarded as fair by both civil servants and the public, which they serve? Would another mechanism serve this purpose just as well, or better?	Agree	<p>We regard the existing pay adjustment system fair. We do not have information on any mechanisms that could serve this purpose just as well or better, and therefore, cannot give our comments on this before we can have such information.</p>
8	Is the merit elements of performance pay to be incorporated in civil service salaries?	Disagree	<p>Although we support the idea to introduce reward system to those staff who have outstanding performance, we do not agree to incorporate the merit elements of performance pay in the Civil Service.</p> <p>Most jobs in the Customs and Excise Service cannot be quantified. It would also induce many problems and unfairness. Formal recognition of achievement may be better than monetary reward.</p>

9	Should team-based performance rewards be used and, if so, to which group (senior, middle, lower or all levels) should they apply and on what basis?	Strongly Disagree	We object team-based performance rewards to be used because of the following reasons: - a) Most jobs in The Customs and Excise Service cannot be quantified. b) It will create unfairness amongst posts with different work nature. c) Staff will battle for those posts where performance rewards are available and to avoid posts without such provisions. d) Competition between Units/Divisions will hinder the performance of the Service as a whole. In short, the problems caused will outweigh benefits brought.
10	Should individual performance rewards be introduced and, if so, to which group (senior, middle, lower or all levels) should they apply and on what basis?	Strongly Disagree	Teamwork NOT personal performance or individualism should be emphasized in the Civil Service.
11	Should consideration be given to introducing decentralisation of civil service pay administration for a city like Hong Kong?	No Comment	This system may work well in a country where living standards may vary a lot in different parts of the country. It may not be suitable for a small city like HK.

12	Should some or all of the current general/common grades staff be departmentalised to facilitate department-based management?	No Comment	We need to study the new system first
13	If civil service pay administration is to be decentralised, there may be a rather long transition period. How can the standard of service and staff morale be maintained during that period?	No Comment	We maintain our standpoint in answering Question 11 and do not comment further.
14	In terms of simplification, is there scope to amalgamate existing grades within broader occupational categories? Is there scope for having flatter organisations with wider span of management control and fewer rank layers?	No Comment	There is always room for improvement.
15	Should a formal job evaluation system be introduced and, if so, should this be operated centrally or at department level?	No Comment	We envisage that there will be great controversy in the methodology of evaluation. In case a job evaluation system is introduced, it MUST reflect the 2 principles we mentioned in the preamble.