

26 June 2002

Some General Comments from a Citizen for the Consultation Paper Phase I Study

Pay Policies, Pay System and Pay Structure

1. Performance based pay is proved to be unpractical and unsuccessful for civil service notwithstanding in US or UK or elsewhere in the world. Reference can be made with those studies by Department of Politics and Public Administration of Hong Kong University (HKU). Professor John Burns of the HKU is the expert of the subject.
2. Simple pay system and structure would be preferred as civil service in Hong Kong still is of very bulky establishment of 180,000 no. of civil servants now. If the pay system is too complicated with whatever performance pay element added, resources to implement the complicated system would be huge so that it could not be off-set by the saving from performance pay structure. Public criticism must be resulted as public money is used just because to assess each civil servant's pay annually in relation to his individual performance each year.
3. As the nature of civil service is solely on the provision of public service to the community, the performance of the civil service must not be linked with profit making or commercial consideration like private sector. It is almost impossible to identify reasonable performance indicator for each grades of staff or even each individual staff. For example, how to assess or quantify the performance of an ambulance officer? Is it the more the ambulance officer handle the emergency calls from the public, the better he performs? Surely not, as the no. of emergency cases depends on the social factors not on the performance of the officer.
4. There would be unfair assessment due to personal judgement of the performance assessors. If the performance of and pay for an officer is directly linked with his/her performance report, arguments must be occurred between the working level and the management level. It would be very harmful to the whole civil service as staff/ human is regarded as the most valuable resources of the government from human resources management point of view.
5. It would be very difficult and there would be legal implication to implement a pay system which differ very much with the existing ones as the employment contract with the existing Permanent and Personable staff has confined the pay

system applied to them. If the new pay system did violate the contract signed between the staff and government, how to solve the dispute? Another suggestion for legislation again? It would be feasible to apply any new pay system in future or new employment but not affecting the existing civil servants.

6. The pay policy of the government for civil service must place the principle of attracting the most suitable group of the society to join the civil service to serve the public at the top consideration.
7. Ultimately, what the government should do is to reduce the number of permanent and pensionable civil servant by fair exit schemes, such as VR schemes.

To conclude, I totally oppose any performance pay system for civil service. The appraisal system should be changed to meet the changing needs of the society and should **aim at identifying smart/ capable officers by leaving the old culture of seniority oriented, but the performance should not link with pay.** The Government should find ways to reduce the size of civil service but retain the brilliant group for the top level. The possible ways out may be outsourcing the functions currently undertaken by civil service but considered as more appropriate for the private sector in a gradual manner; attractive but reasonable VR schemes as public money would be involved. The pay system should be simple and easy to administer in order to avoid excessive administration cost.