

**ARCHITECTURAL SERVICES DEPARTMENT 建築署**

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Secretary General
Joint Secretariat for the Advisory Bodies on Civil Service
And Judicial Salaries and Conditions of Service
Room 701, 7/Floor
Tower Two, Lippo Centre
89 Queensway
Hong Kong.

Dear Secretary General,

**Review of
Civil Service Pay Policy and System**

I refer to the letter dated 25 April 2002 from the Chairman of the Task Force on Review of Civil Service Pay Policy and System (Task Force) inviting views on the consultation paper of their Phase I Study. Having consulted the staff representatives on our Departmental Consultative Committee (DCC) and discussed within the senior directorate of this department, we would like to put forward the following comments on the consultation paper.

Views from staff

Some staff question the need for consulting the public on this review, which they believe is an internal matter and one between the Government and civil servants themselves. They draw an analogy with the Accountability System of Principal Officials, which also is an internal matter of the Government but has not been subjected to the same public consultation process. They hope that public pressure would not be brought to bear on the review and feel that the Government should work with staff in introducing any changes.

Some technical expressions and jargons in the interim review report have caused difficulty to staff in fully understanding them. For staff to have a clearer and better understanding of the report, the Task Force should more proactively reach out to staff, through such means as setting up an enquiry hotline or holding more talks and seminars with them, in addition to providing a e-mail address and a faxline for enquiries.

The technical staff in Arch SD being posted to a wide variety of jobs with different job requirements, a fair and stringent performance assessment system must first be devised before performance-based rewards should be introduced.

The General & Common Grade Representative on our DCC has much to comment on the consultation paper. To set out his views clearly and in great detail, he has prepared a written submission a copy of which is at the Appendix. Apart from addressing the list of questions raised by the Task Force, the officer has expressed concern about the inappropriateness of the procedures adopted for the present public consultation exercise; the failure of PwC Consulting – the outside consultant appointed by the Task Force to provide input on civil service pay structure and reform in a few selected countries – in presenting balanced views through consulting not only the management but also civil servants and the public in these countries; the undue focus placed on the issues of performance rewards and Government's affordability to pay, creating an impression that the Government has had problems with the two issues thus necessitating an overhaul of the civil service pay policy and system; and the importance of working closely with civil service unions and associations in conducting the review, based on the principles of reasonableness, impartiality, rationality and mutual understanding.

All in all, there is scepticism from staff towards the review and the motive behind the civil service pay reform initiative.

Views from Management Side

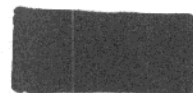
While there may be a need to review the present civil service pay policy and system to make it more flexible and modernised, we should not lose sight of the merits of the present civil service pay mechanism which has stood the test of time, served the community well, and inspired confidence in civil servants at large. Any significant or drastic changes to the mechanism may lead to a deterioration of the quality of the civil service, as it will deal a blow to the staff morale which has already been affected by the impending civil service pay reduction and the trend towards privatisation or corporation of various Government services.

It should be noted that any civil service pay mechanism has its strengths and weaknesses. Unless strong evidence suggests otherwise, it is considered too risky to introduce a new mechanism to replace the present one that is robust and tested when the proposal is at least inviting so much scepticism from various quarters.

While we favour the departmentalisation of some current general/common grades staff to facilitate department-based management, regard must have had to staff in small departments which cannot offer sufficiently broad job experience and a reasonable career structure for development of such staff. Attention must also be paid to the possible staff concerns over their loss of freedom of transfer among departments and the common promotion prospect that they currently enjoy.

As for decentralisation of pay administration, while the idea may be worth exploring, difficulties over its implementation will abound given the inconsistencies in administration that will arise between departments. Moreover, the scheme may only work effectively if departments are also empowered with the ability to 'hire and fire'.

Yours sincerely,



for Director of Architectural Services