

Opinions on the Review of Civil Service Pay Policy and System

I. On Pay Policies, Pay System and Pay Structure-

Should more emphasis be put on clean wage policy?

1. The clean wage policy is not considered a favourable policy. The definition of allowances and benefits to be included into this policy and the calculation of the cash amount to be paid may be arbitrary and is probably a subject of controversy.

2. The method of the payment of this "cash" is also another concern. Will the staff need to make claims for this payment?

3. Under the clean wage policy, the cashed allowances and benefits may become part of the salary which is subject to review annually. It may then be departed from the existing review system on allowances and benefits of the civil servants and may become more susceptible to moderation.

Should senior civil servants be subject to a pay policy which is different from that of the middle-ranking and junior ranks?

4. No. The present pay policy should be maintained for the middle and junior ranks, as well as for senior civil servants.

Should the disciplined services' pay be treated differently from the rest of the civil service?

5. Given the different job nature, a different pay treatment for the disciplined services is considered justifiable.

Should we continue to conduct regular pay level, pay structure and pay trend surveys to ensure that civil service pay remains comparable with that of the private sector?

6. Regular pay level, pay structure and pay trend surveys should be continued and be preferably conducted with shorter intervals, if resources permit, in order to follow the market trend more closely.

Or should Government's affordability to pay be an over-riding consideration in pay adjustments?

7. The Government's affordability is considered as important as other factors of consideration like staff morale and legality in pay adjustments. Hence it should be one of the essential, but not the over-riding, factors.

II. On Replacing Fixed Pay Scales with Pay Ranges-

Would the introduction of flexible pay ranges bring benefits in terms of better rewarding performance and enhancing a performance-oriented culture in the Hong Kong context?

Would flexibility in pay progression lead to potential divisiveness among civil servants?

8. There may be problems in the implementation of this flexible pay progression which is considered not suitable for the civil service. The introduction of flexible pay ranges will result in different pay for staff of same rank, contrary to the present system. The one who get less pay may tend to feel being prejudiced and grieved. Divisiveness may result.

9. The fixing of the range of increment, being performance-based, will depend on the result of the performance appraisal. In other words, the performance appraisal will directly determine the amount of pay and its importance will then be further stressed. In this light, to adopt pay ranges successfully, the performance appraisal system must be implemented with absolute fairness and impartiality which is nonetheless considered very difficult, if not impossible, with the current appraisal system.

III. On Pay Adjustment System and Mechanism-

Should the principle of broad comparability with the private sector continue to be adhered to?

10. Yes. The principle of broad comparability with the private sector should have been closely adhered to. It should be applied not just in times of economic gloom, but also boom when the civil service did not have a pay rise comparable with that of the private sector.

IV. On Introducing Performance-based Rewards-

Should team-based performance rewards be used, if so, to which group (senior, middle, lower or all levels) should they apply and on what basis?

11. There may be problems in the implementation, like how to ensure objectivity in the measuring of performance in order to justify the rewards.

12. This policy seems not benefiting so many staff.

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?

13. There is the same problem as above concerning the measuring of performance.

Some improvements to the staff appraisal system have been introduced in recent years. What further changes are needed to support the introduction of performance-related pay?

14. Further improvement to the staff appraisal system is needed, particularly on achieving objective performance among staff of same rank but performing duties of different nature.

V. On Simplification and Decentralisation of Pay Administration-

Should consideration be given to introducing decentralisation of civil service pay administration for a city like Hong Kong?

15. No. It is considered that civil service pay administration for staff of all levels in Hong Kong should be centrally determined.

Should some or all of the current general/common grades staff be departmentalised to facilitate department-based management?

16. No. General grades staff are characterised by their wide exposure, good experience and versatility in handling different jobs. These qualities cannot be developed under the departmentalisation.

In terms of simplification, is there scope to amalgamate existing grades within broader occupational categories?

17. Yes. For General Grades staff, there may be possibility to amalgamate the rank of Personal Secretary II into that of Assistant Clerical Officer which has a broader occupational categories.

Should a formal job evaluation system be introduced?

18. No. It is considered that the present occupational groupings are generally appropriate. Some fine-tuning may bring further improvement but there is no need for an overhaul entailing great input of resources.

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