

<i>From</i>	Chief Engineer [REDACTED] DSD	<i>To</i>	Departmental Secretary, EMSD
<i>Ref.</i>	(21) in DSD EMC 1/50	<i>(Attn. :</i>	[REDACTED])
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Review of Civil Service Pay Policy and System

In response to your above memo, I enclose my comments on the related items on the consultation paper for your further action.

[REDACTED]

([REDACTED])

Ag Chief Engineer [REDACTED]
Drainage Services Department

[REDACTED]

**Comments on Consultation Paper
On the Review of Civil Service Pay Policy and Systems**

19.(a) 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 (i.e. paying "all cash" wages in lieu of allowances, housing and medical benefits, etc)?
Comment : The clean wage policy is supported as this will save the administration of processing difference types of allowances. However, how the existing housing and medical benefits are cashed into the salary, and how do clean wage reflect the need to work on shift duty, under obnoxious working environment, and other extraneous duties.
19.(b) 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?
Comment : Without knowing how the pay policy would be different, it is difficult to give comment on this issue.
19.(f) What features of the existing pay policy and system should be retained to ensure stability and morale of the civil service?
Comment : The total remuneration should not be worse than the present.
20(a) 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?
Comment : I believe that the proper use of the flexible pay range can achieved the intended benefits.
20 (f) Would a performance management system directly linked to pay be the most effective way of nurturing a performance culture?
Comment : Generally agreed. One thing should be borne in mind that once the officer reached the maximum salary point, this may no longer be effective.
22(a) Do we see the merit for Hong Kong to incorporate elements of performance pay in civil service salaries?
Comments : It is difficult to say yes or no. The choice really depends on what performances are to be measured and how they are linked the to the salary.

22 (b) Apart from pay ranges which already have performance- related elements, do we need to consider other forms of performance-based rewards?
<p>Comments :</p> <p>More forms of performance awards tends to move away from the clean wage. However, other performance based award such as year-end bonuses can be considered.</p>
23 (a) Should consideration be given to introducing decentralisation of civil service pay administration for a city like Hong Kong?
<p>Comment :</p> <p>For better and more effective staff management, decentralization of pay administration should be considered. However, the additional administration effort and resources should be a key issue to consider. Also, if different departments pay differently for the same type of jobs, this will create an unequal situation and no staff will likely to accept any transfer from one department with a better pay to another with a less pay.</p>
23 (c) Should some or all of the current general/common grades staff be departmentalised to facilitate department-based management?
<p>Comment :</p> <p>Departmentalisation of general/common grades staff is an management issue affect the staff's career development, mobility, exposure, and promotion prospect. This wider impact on staff management should be considered. In my view, departmentalisation is not intended just to facilitate pay administration.</p>
23 (e) 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?
<p>Comment :</p> <p>If we go back to some 20 years ago, there were less grades and ranks in the civil service. More ranks and grades have been created to meet changes of the society. I believe that there may be scope of amalgamating existing grades but this should be go along with some organisational reform/changes in the civil service, such as equipping the staff with multi-skill, more vigorous staff development and retaining, and more job rotations to make the staff adaptable to different jobs.</p>