

To: Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service (By Fax : 2877 0750)

Comments on the Consultation Paper
on the Review of Civil Service Pay Policy and System

On Pay Policies, Pay System and Pay Structure –

- (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)?

Strongly object to the implementation of performance-pay. This will destroy the team spirit of the civil service and create internal friction among the civil service (more people will attack others e.g. team member for a better appraisal/pay), promote "shoe-shining" practices (which cannot be avoided by any types of training). Performance-pay is only an ideal that cannot be fairly achieved in the reality. The current performance appraisal system cannot truly reflect the actual performance. Performance-pay will create much more disputes in the appraisal results and pose a lot of administrative problems and workload. Performance-pay is widely used in the private sector, but it is not fairly implemented.

A clean wage is supported.

- (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?

No. This will increase the chance for the senior civil servant to leave all the blames to the junior for any fault happened.

- (c) Should the disciplined services' pay be treated differently from the rest of the civil service?

No.

- (d) 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?

Yes. Strongly supported.

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

No. Strongly objected. Civil service's expenditure is only part of the government's overall expenditure and the Government could control the expenditure in other areas such as social services or increasing the tax. Government should pay the civil service comparably with the private sector.

- (f) What features of the existing pay policy and system should be retained to ensure stability and morale of the civil service?

The whole existing system.

On Replacing Fixed Pay Scales with Pay Ranges --

- (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?

No. Just bring in more disputes and more unfairness in appraisal as well as shoe-shining culture.

- (b) Would flexibility in pay progression lead to potential divisiveness among civil servants?

Yes. Sure.

- (c) Should flexible pay ranges be applied to the entire civil service, or only to senior civil servants, who typically have heavier management responsibilities?

Can be tried for the senior civil servants first.

- (d) Should flexible pay ranges apply both to civilian grades and the disciplined services?

No.

- (e) Would changes be required to the existing performance measurement and appraisal systems to support the introduction of flexible pay ranges?

Many staff like to stay in the same post for say 10 years for familiarized with the work and developed good relationship with their boss for getting a good appraisal result. A systematic rotational posting say every 3-4 years is a must for more equal chances of meeting a good/bad job or a good/bad boss.

- (f) Would a performance management system directly linked to pay be the most effective way of nurturing a performance culture?

No. Many staff will be de-motivated by the performance-pay measures.

On Pay Adjustment System and Mechanism --

- (a) Should the principle of broad comparability with the private sector continue to be adhered to?

Yes.

- (b) 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?

Yes, the existing pay adjustment system is fair.

- (c) Is there a need for changing or introducing more flexibility in the existing adjustment mechanism?

No.

- (d) Should fiscal constraints be an over-riding factor in determining pay adjustments?

No. Strongly object.

- (e) Depending on whether, and to what extent, pay administration should be decentralised to departments, what would be the right balance for Hong Kong in terms of central control/guidance versus autonomy/flexibility for individual departments?

Strongly object to the pay administration to be decentralized. This will let the department heads to have undue authority/power. This also lead to a similar job with different pay in different departments which will de-motivate the civil service.

On Introducing Performance-based Rewards --

- (a) Do we see the merit for Hong Kong to incorporate elements of performance pay in civil service salaries?

Very little because this cannot be fairly carried out in the reality.

- (b) Apart from pay ranges which already have performance-related elements, do we need to consider other forms of performance-based rewards?

Can consider to issue more letter-type award.

- (c) 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?

No. Different teams have different degree of difficulties in their jobs. Difficult to make a fair judgement.

- (d) 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?

Can try on the senior staff level first.

- (e) 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?

Systematic rotational posting and core experience required for any promotion. This will let staff more eager to change their posts (staff cannot get promotion for working in the same / just two posts) and have more exposure/experience.

On Simplification and Decentralisation of Pay Administration –

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

No.

- (b) If decentralisation of civil service pay administration is to be introduced, how much pay and grading responsibility should be devolved to departments?

As small as possible.

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

Only the clerical grade to be departmentalized.

- (d) 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?

Lengthen the transition period say 30 years and for the newly recruited staff first.

- (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?

This can be further investigated.

- (f) Should a formal job evaluation system be introduced and, if so, should this be operated centrally or at department level?

Centrally. To avoid placing undue authority/power to the department head.