

civil service with its wide range of jobs (more than 600 grades and over 1,200 ranks) it is impossible, in our opinion to fine tune salaries to take account of all job differences. We trust civil servants will accept that broadbanding is necessary and that minor differences in workload cannot be reflected by differences in pay scales. After all, even the work of civil servants in the same grade may vary depending on where and how they are employed.

43. The above recommendations for determining pay scales apply primarily to entry ranks. The major criterion for setting the pay scales of higher ranks in a grade should be the level of responsibility exercised and the higher the ranks being dealt with the more broadbanding should be possible. Job content and other factors should not be ignored but to some extent recognition of these will have already been built-in by the maximum set for the entry rank scales.

44. Educational qualifications are not used to determine the pay scales of Model Scale 1. The overriding factor in setting starting rates of pay for these employees should therefore be the level of craft, trade or skill.

Career Prospects

45. From the representations which we have received it is clear that many staff attach as much, and sometimes more, importance to improving their promotion prospects as they do to improving their present income. The desire for advancement is both natural and understandable but we cannot accept the suggestion that posts or ranks should be created solely to provide promotion for civil servants. We believe such action impossible to justify either publicly or financially and therefore endorse the existing principle that promotion posts should normally be created only where there is a functional need.

46. In reaching this conclusion we are aware that in some grades non-functional promotion posts have been created on a ratio basis. We have noted that these are primarily to deal with structural problems in the middle of a grade and have the effect of inserting a promotion bar into what would otherwise be an inordinately long scale. We appreciate that this situation may need to continue for the time being. However, any attempt to create non-functional promotion ranks to permit advancement beyond an existing grade ceiling should be firmly resisted. Even those existing non-functional promotion ranks should be functionalised or removed wherever this proves practicable.

47. Apart from the suggestion made to us that more promotion ranks should be created on a non-functional basis, which we are unable to accept for the reasons already given, the Consultative Document referred to two other proposals for providing more equal or improved promotion opportunities :-

(a) Widening the promotion field

In principle, the proposal that the field from which promotion ranks within a grade are filled should be extended to all ranks within all grades requiring similar qualifications and performing broadly comparable work, can be justified on the grounds that it will tend to even out advancement opportunities and maximise potential, the legitimate goal of all staff administration. In practice, however, the extent to which inter-grade appointments could be achieved is limited and there is no doubt that widespread inter-grade appointments would meet with strong opposition from staff in those grades with above average prospects and therefore likely to have promotion posts filled from elsewhere. Nevertheless, while we see little opportunity for the general application of this proposal, the possibility of a civil servant with the necessary qualifications and experience being promoted to a post in a grade other than that to which he presently belongs should not be ruled out where he is clearly the best man for the job. We also recommend that an examination be conducted to see to what extent existing grades could be merged into more general grades.

(b) Limited entry rank careers

This proposal, which is to afford some additional recognition to the capable, loyal and long serving officer, has received appreciable support from both staff and management. In our review of individual grades we shall consider whether there is justification for the provision of a long service increment for those grades with no prospects for advancement whatsoever. However, our general view is that grade pay should reflect the rate for the job, irrespective of whether promotion opportunities are good or non-existent.

48. While we consider equality of career prospects throughout the civil service impossible to achieve, and that civil servants should recognise that no-one has an automatic right to promotion,

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grades with no or limited promotion prospects should be examined to see whether there is any room for the re-organisation of jobs to provide for more than one functional level. A study should also be undertaken of grades supervised by other grades to see whether first line supervision could be performed by a senior rank in the lower grade.

49. In our deliberations on career prospects we have noted that although pay scales are generally designed to provide a one increment gap between ranks and thus to provide for an increase of pay on promotion, there are exceptions. It is possible, therefore, for a promoted officer to receive no immediate financial benefit; for example where there are overlapping scales. We believe this to be wrong and, since we see situations where overlapping scales may be both necessary and unavoidable, recommend that in future all officers should receive some immediate benefit on promotion. This would be achieved if an officer on promotion were converted to the salary point in the promotion rank next above his existing salary.

50. A point made in a number of representations is that in considering promotion too much weight is attached to seniority. It is our view that merit should be the first criterion in determining suitability for promotion and we draw Government's attention to this observation.

51. Finally, the suggestion has been made that civil servants are sometimes required to act in promotion posts for far too long. We recommend that wherever possible a civil servant be advised as to whether his acting appointment is for administrative convenience or with a view to establishing his suitability for substantive promotion. In the latter case, he should normally be confirmed in the appointment or, if he proves to be unsuitable reverted to his substantive rank, after six months.

Incremental Progression

52. We stated in our Consultative Document that in view of the widely differing opinions on the size of increments, we proposed to defer consideration of this issue until we examine the overall structure of the Master Pay Scale in the course of our second review. This has given rise to misunderstanding. Our statement referred to the size and number of increments in the Master Pay Scale. However, this has been interpreted by some staff to mean that we do not intend to conduct a review of grades on the Master Pay Scale. This is incorrect, it only means that our review will be conducted within the existing framework of the scale.

53. The Consultative Document raised three issues connected with incremental progression which we consider could be dealt with separately.

(a) Efficiency Bars

(i) Efficiency bars are points in an incremental scale beyond which an officer cannot progress unless certified as efficient by his Head of Department. We are satisfied from the information we have received that they are ineffective unless an examination is involved. We therefore recommend that, except where passage over the bar requires success in an examination, efficiency bars be abolished.

(ii) Our recommendation is subject to other satisfactory arrangements being made to stop the incremental progression of the inefficient officer. We recommend, therefore, that no action be taken on our recommendation to abolish efficiency bars until such time as Civil Service Regulations have been amended to provide that an officer's increment may be withheld on the grounds of inefficiency as well as for misconduct or lack of diligence.

(iii) Where the passage of an efficiency bar involves success in an examination, it is for consideration whether the bar might be better described as a promotion bar within a combined two rank establishment, but we make no recommendation on this issue at this stage.

(b) Bracketed Points

Bracketed points are a system whereby an officer receives an extra increment, or exceptionally two extra increments, on confirmation to the permanent and pensionable establishment. We see no justification for the practice of awarding extra increments on confirmation and recommend that it be discontinued. The argument that they are in keeping with the practice in the private sector is not in our opinion valid. Civil service entry points already take account of the increase granted in the private sector after a short trial period of usually six months.

(c) Omitted Points

We are still not entirely clear why a small number of civil service salary scales include provision for a civil servant to jump points in the scale. Primarily it would appear that they are to provide an improved scale for certain professions or occupations where

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there are recruitment and retention difficulties. In the circumstances, we propose to examine further the need for omitted points in the context of our review of individual grades. From the representations we have received, it is clear that their existence in some scales and not in others is a cause of resentment among some civil servants.

Conversion Arrangements

54. While there is general agreement that the existing complex and barely comprehensible rules for converting the salary of an officer from one scale to another should be simplified, most of the comments we have received on conversion arrangements indicate satisfaction with the results achieved by the rules. We believe, however, that in certain circumstances, the rules as they stand display an excessive concern for the preservation of relative seniority within a scale, particularly since pay and seniority are not necessarily related. We recommend, therefore, that new rules should be drawn up which should provide that no civil servant shall lose on conversion but the extent to which he benefits on conversion should not normally exceed one increment.

55. Any revised rules for converting salaries should not restrict us from recommending special conversion arrangements where we consider such arrangements to be necessary or appropriate.

Model Scale 1

56. As we stated in the Consultative Document, the 1971 Salaries Commission intended that employees on Model Scale 1 should form the base for a non-pensionable industrial civil service to be established at a later date. Subsequently, in 1973, a Government Committee which was appointed to examine the proposal for an industrial civil service recommended that it should not be created. Instead the Committee proposed that Model Scale 1 employees should be brought within a unified civil service and attached to the occupational classes established by the 1971 Commission. However, neither the 1971 Salaries Commission's proposal for an industrial civil service nor the Government Committee's proposal for a unified civil service was implemented, although some steps have been taken to reduce the differences in conditions of service of Model Scale 1 and Master Pay Scale employees.

57. Since it appeared to us that there was no clear cut policy for Model Scale 1 employees, we sought the views of staff and management on the future principles and practices which should be applied to them. In particular we asked whether the long term objective should be to eliminate the differences between Model Scale 1 and Master Pay Scale employees altogether, or whether the circumstances of the employment of Model Scale 1 employees justified their remaining a separate group within the civil service.

58. With few exceptions the response has been that the aim should be to eliminate the differences between Model Scale 1 and Master Pay Scale employees. We respect this view but after very careful consideration we have decided to defer any advice on the long term future of Model Scale 1 employees until such time as we, the staff concerned and management have an opportunity to study all the consequences. Certainly we would not wish to make recommendations which may determine the future of Model Scale 1 employees without much greater consultation than we have been able to have to date.

59. Our decision to defer consideration of the future of Model Scale 1 employees should not deter Government from further reducing the differences in Model Scale 1 and Master Pay Scale fringe benefits. However, we would recommend that for the time being no further action should be taken on pensionability for Model Scale 1 employees since the representations we have received tend to confirm our impression that employees in this category are more interested in a cash benefit than a pension. Meanwhile we will investigate the possibility of the introduction of a non-contributory provident fund or some other superannuation arrangement.

60. Our examination of the situation relating to Model Scale 1 employees has brought to light a number of features which we regard as unsatisfactory and which we bring to Government's attention :

(a) Model Scale 1

The term "Model Scale 1" to describe the pay scales on which this group of employees serve is a relic from the time when all civil servants below directorate level served on a number of model scales. With the disappearance of other model scales, its continued use is in our opinion no longer appropriate. It is neither descriptive of the employees concerned nor meaningful within the general civil service pay structure.

(b) Generic Titles

The use of the terms "unskilled" and "semi-skilled" in various publications and correspondence to describe the first two segments of Model Scale 1 is regarded by employees serving on these segments as insulting and offensive. We agree with them and believe the use of such terms is one of the reasons why we have received so many requests for changes in titles. We therefore suggest that more appropriate generic terms be used in future.

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(c) Entry Criteria

We understand that there are no firm criteria for determining entry to the various segments of Model Scale 1. We believe such criteria are necessary and will seek information which will enable them to be prescribed.

The Disciplined Services

61. The Disciplined Services currently comprise the Customs and Excise Services, the Fire Services, the Immigration Service, the Prisons Service and the Royal Hong Kong Police Force. Officer ranks below the directorate level serve on the Master Pay Scale but the rank and file have their own separate pay scales. The Disciplined Services occupy a special place within the civil service and we recommend that this situation be continued.

62. At present pay scales for the rank and file of the disciplined services are largely determined by a formula which sets the minimum and maximum pay for recruitment ranks. This formula, commonly known as the "Willink formula", provides for the minimum and maximum pay for recruitment ranks to be set by taking existing pay within the civil service and applying percentage increases to take account of the special nature of duty in a disciplined service. The factors at present recognised by the "Willink formula" are long, irregular and unsocial hours, ineligibility for overtime pay, danger, subjection to discipline and social segregation. The scales for higher ranks, including Officer ranks are built on to the entry rank scales taking account of relative levels of responsibility.

63. In the Consultative Document we raised the question of whether the "Willink formula" should continue to be used to determine disciplined services' pay or whether the approach of more recent U.K. Committees of Inquiry into disciplined services pay should be adopted. The approach of these committees has been to depart from any precise formula for determining pay and instead, as expressed in the Edmund-Davies Report on the Police, to review all the relevant factors and to make the best judgement they could.

64. The majority view expressed to us has been that the "Willink formula" should be abandoned, at least in its present form. Even among those who appeared relatively content with the formula, a number expressed dissatisfaction with the manner in which it is applied. In the circumstances, in our review of disciplined service grades, we propose to abandon the "Willink formula" and to exercise our best judgement on the pay scales which should apply. However, the factors used in the "Willink formula" are in our opinion still relevant and these, together with such other factors as we consider deserving of recognition, will continue to be taken into account.

65. In the course of our investigations the question has arisen as to whether or not the Immigration Service should continue to be included among the disciplined services. A suggestion has also been made to us that the disciplined services should be expanded to include, for example, Traffic Wardens. We make no recommendations at this stage and propose to examine these issues further in the course of subsequent reviews.