

APPENDIX 1

CIVIL SERVICE PAY SCALES AND

CONDITIONS OF SERVICE

The following is a summarised version of the information supplied by the Commission Secretariat in respect of Civil Service pay scales and benefits which were in force during the period covered by this study. Since then there have been some changes in Civil Service benefits.

Pay Scales

The Master Pay Scales and Model Scale 1 ranges used in the PIU Pay Trend Survey relating to the period 1.4.79 to 1.4.81 are included in the following table:-

Summary of Model Scale 1 and Master Pay Scale Ranges
used in PIU Surveys 1.4.79 - 1.4.81

Category of Staff	Pay Scale Points	1.4.79	1.10.79	1.4.80	1.10.80	1.4.81
MOD1	Unskilled - Snr. Artisan (Now 1 - 20)	\$ p.m. 1,095- 1,640	\$ p.m. 1,175- 1,800	\$ p.m. 1,375- 2,100	\$ p.m. 1,405- 2,205	\$ p.m. 1,660- 2,610
MPS - Lower	1 - 16	900- 2,330	1,000- 2,500	1,180- 2,905	1,180- 2,905	1,395- 3,420
MPS - Middle	17 - 37	2,465- 6,620	2,650- 6,950	3,080- 8,065	3,080- 8,065	3,625- 9,475
MPS - Higher	38 - 51	6,945- 10,800	7,300- 13,000	8,515- 15,230	8,515- 15,230	10,015- 17,990

Al.1 PENSIONS, ANNUAL ALLOWANCES AND GRATUITIES

Civil Service Pension Scheme

The Civil Service Pension Scheme is non-contributory and is not separately funded. A pension is not given as of right. In order to receive a pension, a Civil Servant has to fulfil certain conditions.

Normally, an officer who has completed 10 years' service and retires in approved circumstances (usually at age 55) may be granted a pension (for a pensionable officer) or an annual allowance (for a non-pensionable officer). If he has completed less than 10 years' service, he may be granted a lump sum gratuity equal to five times the pension or annual allowance that he would have earned.

An officer's pension or annual allowance is calculated on the following basis:-

(a) Pension

by applying the factor of 1/600th to the officer's annual substantive salary and multiplying it by the number of completed months of his pensionable service;

(b) Annual Allowance

by applying the factor of 1/800th to the officer's annual substantive salary and multiplying it by the number of completed months for the first 25 years of his service, and 1/600th for any service in excess of 25 years.

In either case, the pension or annual allowance is subject to a maximum of 2/3rds of the highest annual substantive salary drawn during an officer's service. This is attained on completion of 33 years and 4 months' (400 months) pensionable service or 39 years and 7 months' (475 months) in the case of a non-pensionable officer.

An officer may elect to have his pension or annual allowance converted into a reduced pension or annual allowance of 75%, 80%, 85%, 90% or 95% of the full pension or annual allowance, together with a lump sum gratuity of $12\frac{1}{2}$ times the amount of annual reduction.

Death Gratuity, Dependants' Pension

When an officer who holds a pensionable office, or a non-pensionable officer who has either completed 3 years' unbroken service or whose death was caused in the discharge of his duty, dies in service, a death gratuity equal to one year's salary (9 months' salary for a non-pensionable officer) or the commuted pension or annual allowance gratuity, whichever is the greater, may be granted to his estate. If he is killed in the discharge of his duty, a pension is payable to his dependants at the rate of $\frac{1}{6}$ th of his annual substantive salary at the date of death for the spouse and $\frac{1}{8}$ th of the spouse's pension for each child up to a maximum of 6 children.

Impairment Pension

When an officer has been injured in the discharge of his duty, on retirement he is eligible for an additional pension ranging from $\frac{1}{12}$ th to $\frac{1}{3}$ rd of his annual substantive salary at the date of injury depending on the degree of permanent incapacity. The total of this additional pension, and his other pensions, may not, however, exceed $\frac{5}{6}$ th of the highest annual substantive salary drawn by him during his service.

Widows and Orphans Pension Scheme and/or Widows' and Children's Pension Scheme

All pensionable male Civil Servants are required to belong to either the Widows and Orphans Pension Scheme or the Widows' and Children's Pensions Scheme which are contributory in nature and which operate under separate Ordinances. Under the Widows and Orphans Pension Scheme the officer's contribution can either be at 4% of his monthly salary or at a fixed rate of \$125 a month. The officer's contribution under the new Widows' and Children's Pensions Scheme can either be at 3% or 4% of his monthly salary. Under both schemes, the Government makes a notional contribution of 2% of the officer's pensionable emoluments. Benefits from both schemes are

payable to the officer's dependants on the officer's death.

Civil Service Pension Increases

Strictly speaking, Civil Service pensions are not index-linked, but they are reviewed from time to time, to ensure that pensioners can maintain a reasonable standard of living and that the original purchasing power of their pensions is not unduly affected by inflation and other depreciating factors.

Pensions are reviewed annually, based solely on the movement of the Consumer Price Index (A) for the period from July of one year to June the next year and are assessed independently of salary adjustments. The Consumer Price Index (A) is chosen because it is based on an expenditure level of up to \$3,500 a month, which covers the majority of existing pensioners. All pensions increases have to be approved by Resolution in the Legislative Council. Such increases are not automatic.

Gratuity for Officers on Agreement

On satisfactory completion of his term of service, an officer on agreement terms of engagement will receive a gratuity for the period of service including periods of vacation leave. At present such gratuities are paid at the rate of 25% of the total basic salary of the officer's substantive office drawn during the agreement period.

Al.2 HOUSING

Housing assistance is at present provided in the form of quarters or allowances for private tenancies for officers during their service.

Departmental Quarters

Government quarters fall into two principal categories, departmental and non-departmental. The former, which include barrack-type accommodation, are provided for operational reasons, mainly for the Police Force, and for the Medical and Health, Fire Services, Public Works, Prisons and Urban Services Departments.

Non-departmental Quarters

All officers on or above point 48 on the Master Pay Scale or equivalent and all overseas officers below that point are eligible for non-departmental quarters, which are either owned or leased by Government.

Private Tenancy Allowances

Officers eligible for non-departmental quarters may, if they wish, take up private tenancies, the rent of which is reimbursed within approved limits. Private Tenancy Allowances are also available to local officers on or above salary point 38 on the Master Pay Scale or equivalent. The allowances payable are geared to salary scales and family status and are periodically adjusted.

House Allowance

Local officers on point 38 or above on the Master Pay Scale who live in accommodation owned by themselves or an immediate member of their family or in which they reside as members of a Government built Housing Scheme may be granted a house allowance. The rates of allowance depend on the grade of entitlement of the officer and grade of accommodation occupied.

Furniture and Domestic Appliances

Local officers on a salary at point 48 or above on the Master Pay Scale are eligible for the supply of furniture and domestic appliances of \$30 a month. Local officers on a salary at points 38 to 47 are eligible for the \$30 allowance in lieu of furniture and domestic appliances.

Rent

Except for staff living in barrack accommodation all officers who live in Government quarters or who receive Private Tenancy Allowances pay rent of either 5% or 7½% of their substantive salaries.

Public Housing Quota for Civil Servants

This is an indirect form of assistance for junior officers. All applicants, other than junior married officers of disciplined services occupying departmental quarters, are required to meet the usual space and income criteria set by the Housing Authority.

Al.3 LEAVE

Casual Leave

The majority of Civil Servants, apart from daily rated and teaching staff, earn casual leave at one day per month of resident service, i.e. 12 days per year. Up to 30 days may be accumulated and taken at any one time.

Vacation Leave

Different arrangements exist for the award of vacation leave to local officers and overseas officers on the Master Pay Scale or equivalent and to officers on Model Scale 1. These are outlined below:-

(a) Local Officers (except Model Scale 1 staff)

	<u>Basic Annual Rate</u>	<u>Maximum Accumu- lation</u>
(i) With initial salary on or over MPS 18 or DPS(R) 24 and with 10 or more years' service	27 days	180 days
(ii) With initial salary on or over MPS 18 or DPS(R) 24 and with less than 10 years' service	18 days	120 days
(iii) With initial salary below MPS 18 or DPS(R) 24 and with 10 or more years' service	18 days	120 days

	<u>Basic Annual Rate</u>	<u>Maximum Accumu- lation</u>
(iv) With initial salary below MPS 18 or DPS(R) 24 and with less than 10 years' service	9 days	60 days

N.B. New provisions have been introduced since September 1981.

(b) Overseas Officers on Standard (New) Leave Terms

Leave is awarded on the following basis:-

	<u>Days per Annum</u>
(i) Age 40 or over, regardless of service; or age over 35 with 10 years' service	59 days
(ii) Age under 35 or under 40 with less than 10 years' service	42 days

(c) Model Scale 1 Officers

Model Scale 1 officers with less than 10 years' service are not entitled to vacation leave. However, officers with 10 or more years of service earn 9 days per year and can accumulate up to 60 days.

Sick Leave

Staff with less than 4 years' service may be granted up to 91 days sick leave on full pay and 91 days on half pay. Staff with longer service may be granted up to 182 days on full pay and 182 days on half pay. The lengths of leave on full and half pay may be increased for an illness of very long duration.

Maternity Leave

Women officers, after they have taken any earned casual and vacation leave,

may be granted maternity leave to cover a total absence from duty of up to 10 weeks. Officers with less than 12 months' service are granted maternity leave without pay, whilst those who have completed 12 months' service are granted leave on full pay. (N.B. New provisions have been introduced since June 1981).

Al.4 PASSAGES

Overseas Officers on Vacation Leave

Overseas officers on vacation leave, providing they are returning to Hong Kong, or on vacation leave taken annually, are entitled to standard return passages to their country of origin for themselves and their spouses and dependent children, e.g. unmarried sons under the age of 19 and unmarried daughters under the age of 21, subject to the total cost of such passages not exceeding six full fare passages.

The majority of officers are entitled to economy class air fares (at Government rates).

Educational Passages

Children of local officers being educated in the United Kingdom and children of overseas officers being educated in their country of origin, at a recognized educational establishment, may be granted up to five student passages (two and a half if the child is between 19 and 21) to visit their parents in Hong Kong during a period of 30 months.

Al.5 MEDICAL AND DENTAL FACILITIES

Civil Servants and their dependants are eligible for free medicine, medical advice and treatment in Government clinics and hospitals. However, they pay maintenance charges (at reduced rates) if admitted to a Government hospital, except in the case of officers injured on duty. They are also eligible for free dental treatment, but are required to pay for dentures and dental appliances. Locally resident pensioners have a similar entitlement.

Al.6 HOURS OF WORK

An officer's conditioned hours are the hours of work his salary is calculated to cover and, if he is eligible for overtime allowance, the hours he must work before he can receive overtime payments. The majority of Civil Servants work either 48 hours net (i.e. excluding any lunch breaks) or 44 hours gross (i.e. including one hour's lunch break in each 8 hour day).

Al.7 ALLOWANCES

Rates for allowances are tied, where possible, to salaries, so that allowances are adjusted automatically with salary revisions.

Extraneous Duties Allowance

This allowance is granted to officers performing duties other than those normally performed by members of their rank or grade. The allowance has three categories - Supplementary, Responsibility and Non-standard.

Hardship Allowance

Certain officers may be granted a Hardship Allowance if they are required to perform duties of a particularly obnoxious nature, or to perform their duties in dangerous conditions. A Hardship Allowance may also be payable for management considerations, i.e. as an inducement for a particularly unpleasant type of duty to be performed regularly.

Subsistence Allowance

An officer who is absent on duty in Hong Kong from his place of residence for a continuous period of 12 hours or more in any period of 24 hours may receive a board allowance.

An officer who is on duty outside Hong Kong or Macau is eligible for an overseas subsistence allowance to cover the cost of an appropriate standard of accommodation, meals and other expenses.

Shift Duty Allowance

An allowance payable to certain officers, whose salary scales commence below point 23 and extend no further than point 31, excluding officers in grades for which a degree is the minimum entry requirement, who regularly work inconvenient hours, i.e. hours between 8 p.m. and 6 a.m. on weekdays and at any time on Sundays.

Uniform and Kit Allowance

For officers who, because of their duties, incur greater expenditure on clothing than others in the same rank or grade, the rate of the allowance is determined with reference to the cost of the clothing.

Overtime Allowance

Overtime allowance is paid to most officers who work for longer than their conditioned hours in any week (or for those who work alternate Saturdays, in any fortnight) and who cannot be given time-off in compensation. There are exceptions - e.g. teachers, disciplined services, etc.

The standard rate of overtime allowance is 1/140th of the officer's monthly salary, equivalent roughly to time and a half. For certain categories of staff, the rate of overtime allowance for the initial period of overtime is 1/210th of the officer's monthly salary, roughly equivalent to single time.

Education Allowance

Education allowances are paid to help to meet the cost of children's education. Local Education Allowances are payable to pensionable officers, officers on agreement, Model Scale 1 officers and officers on temporary terms of service whose children attend Government or subsidized primary schools and when they attend Government, Subsidized or approved private Chinese and Anglo-Chinese secondary schools. Overseas Education Allowances are only payable to pensionable officers and officers on agreement terms, in the case of overseas officers normally only if the children are being

educated in the officer's country of origin, and for local officers when their children are being educated in the United Kingdom. They are paid for all types of full-time education, provided the institution is of an acceptable standard, but only for children aged between 11 and 19 and for a maximum of four children.

Acting Allowance

When an officer acts in and undertakes the full duties of another officer with a higher maximum salary than his own for a period of 30 days or more he may receive, in addition to his substantive pay, a non-pensionable allowance of 90% or 100% of the difference between his substantive pay and the minimum pay of the office in which he acts.

Honoraria

In special cases honoraria may be granted to officers not eligible for overtime allowance in respect of prolonged overtime occasioned by general pressure of work or to officers, whether eligible or not for overtime allowance, in respect of special duties undertaken outside the officer's normal hours of work and outside the normal scope of his duties.

Salary Advances

Provision is made for Civil Servants to receive advances of salary under certain circumstances, e.g. on first appointment, compassionate grounds, marriage, moving house or for the purchase of a car, etc. These advances are repayable in full and in some instances subject to interest charges.