

CHAPTER 5

THE PAY SURVEY AND RESEARCH UNIT

5.1 The function of the Pay Survey and Research Unit is to obtain and analyse information relevant to the determination of civil service remuneration.

5.2 The Unit is under the administrative control of the Commission. Specifically, the Commission : -

- (a) determines the Unit's programme of work and allocates priorities where necessary;
- (b) ensures the independence and impartiality of the Unit in the conduct of all its surveys;
- (c) ensures that the Unit conducts such surveys and enquiries as are required of it in accordance with the principles and methodology agreed by the Government; and
- (d) ensures the confidentiality of the information obtained from individual sources in the private sector.

5.3 The main activity of the Unit during the year was the conduct of the 1985/86 Pay Trend Survey between December 1985 and February 1986. Information on movements in the pay of staff employed in 58 selected companies in the private sector for the year 1 February 1985 to 31 January 1986 was gathered and analysed in accordance with the criteria laid down. The results were presented to the Pay Trend Survey Committee in March 1986 for validation. Copies of the Pay Trend Survey Report were then passed to the Administration, the members of the Pay Trend Survey Committee and the companies which participated in the survey.

5.4 Among the 58 companies included in the survey, 57 announced a pay adjustment before the cut-off date. Of these 57 companies, one company could not separate adjustments due to merit from those due to general increases. One was found to have undergone a corporate restructuring exercise with changes in the nature of its business and its size. Calculation of the average pay increase awarded in the private sector was therefore based on the data provided by 55

companies. Account was taken only of increases related to the cost of living, company performance and general market conditions. The results were as follows : -

6.73% for employees earning less than
\$4,300 per month

6.33% for employees earning between
\$4,300 and \$13,999 per month

6.96% for employees earning between
\$14,000 and \$25,605 per month

A more detailed report on the results of the survey is at Appendix VII.

5.5 Concurrent with the conduct of the 1985/86 Pay Trend Survey, the Unit gathered information on the fringe benefits which were available to the employees of 59 surveyed companies on 31 January 1986. A report was issued in April 1986 and passed to the Administration and the companies which participated in the survey.

5.6 Between June and October 1986, the Unit was tasked to assist Hay Management Consultants (Hong Kong) Ltd. in their collection of job data and information of pay and fringe benefits in the civil service and from selected companies in the private sector in connection with the 1986 Pay Level Survey.

5.7 Towards the end of the year, the Unit made preparatory arrangements for the commencement of the 1986/87 Pay Trend Survey in accordance with our recommendations and for a further Fringe Benefit Survey.

5.8 The Unit continued to supply information on civil service salaries and conditions of service to organizations outside the civil service and participated in surveys conducted by private sector companies.