

SECOND REPORT OF THE PAY LEVEL SURVEY ADVISORY COMMITTEE

STANDING COMMISSION ON CIVIL SERVICE
SALARIES AND CONDITIONS OF SERVICE

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Hong Kong
January 1987

20 January 1987

The Hon. Sir S.Y. Chung, C.B.E., J.P.
Chairman
Standing Commission on Civil Service
Salaries and Conditions of Service

Dear Sir,

The Pay Level Survey Advisory Committee was set up in June 1986 to advise the Standing Commission on matters concerning the Pay Level Survey. The Committee has submitted its First Report on the methodology for the Pay Level Survey and the valuation of fringe benefits in July 1986.

Having regard to the views expressed in the Advisory Committee's First Report, the Standing Commission submitted to the Acting Governor its Report No. 16 which recommended the proposed methodology for the Pay Level Survey. The proposed methodology was endorsed by the Acting Governor with certain modifications suggested.

Hay Management Consultants (Hong Kong) Ltd. conducted the Survey in accordance with the approved methodology and the Acting Governor's suggested modifications. The Survey was completed as scheduled and the findings of the Survey have been presented to members of the Advisory Committee for consideration.

We have now completed the second stage of consultation on the subject with representatives of the Administration, major staff councils of the civil service and interested organizations and institutions. On behalf of members of the Advisory Committee, I have the honour to submit our report which records the views expressed by representatives at meetings of the Advisory Committee.

Yours faithfully,

(Gordon M. Macwhinnie)
Chairman
Pay Level Survey Advisory Committee

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INTRODUCTION

In the First Report of the Pay Level Survey Advisory Committee (PLSAC), views of members concerning the methodology for the Pay Level Survey were recorded for consideration by the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission). The Standing Commission, having considered the advice of the PLSAC, recommended to the Governor a methodology for the Pay Level Survey which the Governor accepted, subject to a few minor modifications set out in His Excellency's reply dated 14 August 1986.

2. The agreed methodology was applied in the Pay Level Survey which was conducted by Hay Management Consultants (Hong Kong) Ltd. (Hay). The survey commenced in August 1986 and was completed in early November 1986. Having received Hay's preliminary report, the Standing Commission decided to refer it to the PLSAC for examination, before consideration by itself and formulation of its own recommendations to the Governor. Accordingly, a series of seven meetings was held by the PLSAC to consider the Consultants' report.

3. Following the practice established in the last PLSAC report, this report attempts to record accurately the views expressed by members of the Committee, so that the Standing Commission can understand fully the various comments expressed during meetings, in order to formulate its recommendations to the Governor.

4. Of the seven meetings that have been held, the first was devoted to a presentation by Hay on the initial findings of the survey, and the last three to the consideration and confirmation of this report. Members commented extensively on the Consultants' report at the remaining three meetings, at which two additional presentations on the calculation of fringe benefits and the procedures of job evaluation were also made by Hay. During the course of these meetings, Hay provided supplementary explanatory information and notes on their report.

5. The overall membership of the PLSAC remained unchanged, except that :

- (a) the Police Force Council^{*}, for internal reasons, only sent an observer from the second meeting of this series onwards. A copy of their letter dated 28 November 1986 to the Chairman of the Committee is at Annex C; and
- (b) the Senior Civil Service Council^{**} had decided to withdraw from the PLSAC as from the fifth meeting of this series onwards. A copy of their letter dated 29 December 1986 to the Chairman of the Committee is at Annex D.

6. Subsequently, the Staff Side of the Senior Civil Service Council wrote to the Chairman on 7 January 1987 requesting that all their comments should be deleted in this report. A copy of their letter is at Annex E. The Chairman declined to accede to this request, so all the comments from the Staff Side of the Senior Civil Service Council included in this report do not, therefore, necessarily represent the official views of the Associations concerned.

7. As this report contains views on the Consultants' report, it would be useful to read it in conjunction with that report. The order of the subjects discussed below also follows, as far as possible, that of the report by the Consultants. At the 13th meeting of the PLSAC, the Consultants provided to members a revised report in the light of all the changes made as a result of the deliberations of the Committee.

* Police Force Council in this report refers to the Staff Side of the Council.

** Senior Civil Service Council in this report refers to the Staff Side of the Council.