

## CHAPTER 2

### TERMS OF REFERENCE FOR THE PAY LEVEL SURVEY

#### 2.1 THE ORDER OF THE GOVERNOR-IN-COUNCIL

2.1.1 As mentioned in paragraphs 1.4.1 to 1.4.3, the decision to conduct a pay level survey was taken by the Governor-in-Council on 28 January 1986. The Governor's order was that :

"pay level studies in respect of directorate staff and of non-directorate staff should be synchronised and that if Government cannot come to an agreement with the staff associations on the methodology and interpretation of pay level studies for non-directorate staff, Government should decide these matters on its own".

2.1.2 At a further meeting on 4 February 1986, the Council advised and the Governor ordered that :

"a pay level survey should be conducted in the next financial year; a deadline should be set for securing Staff Side agreement on the methodology, interpretation and results of the pay level survey and that in the absence of agreement the pay level survey should proceed as best it can".

#### 2.2 GUIDELINES TO BE FOLLOWED

2.2.1 We asked Hay to adhere to certain basic guidelines when devising the methodology for the Pay Level Survey. These guidelines took into consideration the nature of the Governor-in-Council's order, and our previous recommendations on the subject of pay level surveys. The guidelines were as follows :

- (a) The private sector companies used should, as far as possible, correspond to those used in previous pay trend surveys. However, other companies satisfying the criteria for inclusion in pay trend surveys and already held in Hay's database might also be recommended for inclusion in the Pay Level Survey;
- (b) The current broadbanded structure of the civil service should not be substantially altered and the survey should not be used to adjust the remuneration of specific grades;

- (c) In the course of conducting the survey, Hay should be advised by a steering group, comprising members of the Standing Commission and Commission Secretariat staff; and
- (d) Hay should be able to draw upon the assistance of the Commission Secretariat and the Pay Survey and Research Unit where necessary and appropriate.

2.2.2 The above guidelines have been followed throughout the survey, subject to minor changes which are listed in paragraphs 4.3.2, 4.3.5 and 4.3.6.