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CHAPTER ONE

INTRODUCTION

(The background leading to the current review is traced in this Chapter)

Background

1.1 Our first overall review of the salary structure of the non-Directorate civil service was carried out in 1979-80. Our recommendations, published in the Commission's Reports Nos. 1, 2 and 5, were accepted and implemented by the Government. The framework thus established has provided a solid basis for determining civil service pay over the years.

1.2 As a Standing Commission, we are required to keep matters within our terms of reference under review. Indeed, after the 1979 exercise, we continued to examine from time to time particular aspects of the civil service pay policy as well as the salary structure of individual grades to take account of changing circumstances.

Developments Since 1979

1.3 There have been significant economic, social and political developments in Hong Kong in the past decade. In keeping with these developments, the civil service has also undergone substantial changes in size, scope and responsibilities.

1.4 Meanwhile, sustained economic prosperity over the years has put the labour market under considerable pressure. The effect is also felt in the civil service. Problems of recruitment or retention of different degrees affect a number of grades. There is therefore a need to address these problems in order to maintain effectiveness and efficiency in the civil service.

1.5 In 1988, a committee under the chairmanship of Mr. A.L. Rennie was appointed to carry out an overall review of the pay and conditions of service of the disciplined services. This review concluded that the salary structure of the disciplined services should be revised to take account of the changes since 1979 and the anticipated future developments. A separate body should be established to review the pay and conditions of service of the disciplined services. The committee's recommendations were accepted by the Government.

1.6 In March 1989, we were invited by the Administration to conduct an overall review of the salary structure of the rest of the non-Directorate civil service. Indeed, with the lapse of ten years since the last exercise and against the background described in paragraphs 1.3 and 1.4 above, we consider this to be an appropriate time for another comprehensive review.

1.7 Because of the extensive scope of the exercise, the complexity of the issues involved and the large number of grades* affected, the review is to be conducted in stages and will take about two years to complete. The Commission has been requested by the Administration to submit periodic reports as the review progresses, the first within six months of the commencement of the exercise.

1.8 In recognition of the manpower shortage facing particular grades and the resulting adverse effects on the delivery of service to the public, the Administration has also requested the Commission to tackle first the problems of recruitment and retention in the civil service, with particular reference to a number of grades, namely Analyst/Programmer, Executive Officer, Medical and Health Officer, the Nursing grades and Social Work Officer.

*Note : The Commission's remit covers the non-Directorate civil service other than the disciplined services and the judicial service. Altogether 340 grades fall under our purview.

Organization of Report

1.9 This is the first of a series of reports to be produced by the Commission on the review. It contains our findings and recommendations arising from our first stage of work. Chapter 2 explains the general approach adopted by the Commission in carrying out the review. The ensuing four chapters review the key principles and practices governing the salary structure of the civil service. These principles and practices will form the basis on which individual grades are to be reviewed. Our views on the problems of recruitment and retention are given in Chapter 7. The eighth chapter outlines our future programme of work.