

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

		<u>PARAGRAPH</u>
<u>General Consideration</u>		
(1)	There is a need for the Government to maintain a motivated and stable civil service to continue to render effective and efficient service to the public.	2.1
<u>Objective of Civil Service Pay Policy</u>		
(2)	The objective of civil service pay policy should be :- "To offer sufficient remuneration to attract, retain and motivate staff of a suitable calibre to provide the public with an effective and efficient service. Such remuneration should be regarded as fair both by civil servants and by the public which they serve". Within these parameters, broad comparability with the private sector is an important factor in setting civil service pay.	3.21
<u>Total Pay Package Concept</u>		
(3)	In applying the concept, equal emphasis should be placed on both the right level of total remuneration and the appropriate balance among the various components of remuneration having regard to the needs of both the employer and the employees.	3.29
(4)	It is inappropriate to adjust the salary component of the civil service remuneration package on the sole basis of a disparity in the total packages between the public and the private sectors.	3.30

- (5) The Government should explore the possibility of making the provision of fringe benefits more flexible. 3.31

General Considerations in Setting Civil Service Salary Levels

- (6) Both external and internal pay relativities are important considerations in determining civil service salary levels and the right approach is to strike a suitable balance between them. 3.33
- (7) It is appropriate to compare the civil service with the larger and more established companies in the private sector. 3.36
- (8) Consideration should continue to be given to the different objectives and requirements of the public and the private sectors with regard to their different pace of salary progression, and to whether such differences can be rationalized. 3.37
- (9) In order to retain those good, experienced and aspiring officers who do not have immediate prospects of promotion, civil service remuneration should be sufficiently attractive vis-a-vis the private sector. 3.39
- (10) Proper regard should also be given to the following factors in determining civil service salary levels :-
- (a) Job security 3.40
 - (b) Pressures of change 3.43
 - (c) Constraints on personal freedom 3.44
- (11) It would be inappropriate to design rigid and precise formulae for pay determination; instead, the approach should be to review all the relevant factors and to make the best judgement. 3.45

Mechanisms for Reviewing Civil Service Remuneration

- (12) The pay level survey system proposed by the Committee of Inquiry should not be adopted. 3.48
- (13) Any proposals for improving the civil service pay system should be introduced prudently and preferably on the basis of the existing system. 3.52
- (14) The objective and functions of the existing mechanisms for reviewing civil service remuneration include:-
- (a) Periodic overall salary structure review 3.54
- The aim is to establish appropriate pay structures for the civil service and the right salary levels of individual grades that meet the pay policy objective. The salary levels of civil service grades established in an overall review, taken individually or collectively, should be regarded as the appropriate levels of pay relative to the private sector position.
- (b) Review of salary and structure of particular grades 3.55
- Between consecutive overall reviews, the salary and structure of particular grades or groups of grades should be reviewed as and when necessary.
- (c) Review of fringe benefits 3.56
- Fringe benefits should be reviewed as the need arises. The level of total remuneration in the civil service vis-a-vis the private sector might be affected by factors not necessarily connected with remuneration, but with the wider objectives of social or human resource management policy.
- (d) Annual adjustment to pay scales 3.57-3.58
- The aim is to maintain the income level of civil servants relative to that of employees

in the private sector between consecutive overall salary structure reviews. The existing pay trend survey system will ensure that the size of the annual adjustment to civil service pay scales is broadly comparable to that, on average, received by employees in the private sector.

- (15) The existing pay review system comprising the four components described in paragraph 14 above should be retained. 3.61

Establishing Internal Relativities

- (16) The existing qualification benchmark system should continue to be employed in determining internal pay relativities between grades. 4.11
- (17) The existing civil service pay structure and pay relativities between grades should be taken as the starting point in the 1989 salary structure review. 4.11
- (18) While the existing considerations of 'pay for the job', qualifications and broadbanding should normally apply in determining internal pay relativities, there are two general exceptions :- 4.15-4.16
- (a) In arrangements for motivating staff
 - (b) In situations where chronic recruitment or retention difficulties exist

Factors for Fine-Tuning Pay Scales -
General Consideration

- (19) In determining whether or not a particular job factor is relevant, the first principle should be comparability with the group norm. 4.22
- (20) A grade feature should be recognized only if it is inherent in duties constituting an appreciable part of the normal work of officers in the rank or grade concerned. 4.23

- (21) A relevant factor which is essentially a transient phenomenon should be dealt with by granting a temporary allowance. 4.24
- (22) Increase in workload should be tackled generally by suitably increasing the number of staff or by improved methods of working as and when necessary and not by adjusting the pay scale. 4.25
- (23) Where a relevant factor applies to over 75% of staff in the rank, it should be reflected in the pay scale; where it applies to less than 75% of staff in the rank, it should be recognised by paying a job-related allowance. 4.27-
4.28
- Factors : Entry Requirements
- (24) Where additional entry requirements are stipulated, consideration should be given to adjusting the starting pay, but the maximum of the pay scale should not be affected. 4.32
- (25) The following additional entry requirements may be relevant :-
- (a) Age 4.34
 - (b) Post-qualification experience 4.35
 - (c) Special skills or knowledge 4.39
 - (d) Relevant degree 4.44
- (26) The practice of setting the starting pay of the first professional rank in Group I of the Professional, Degree and Related Grades on the basis of differences in the training period and experience required to obtain the full professional qualification should not be applied rigidly and in isolation. 4.47

- (27) No pay differential between honours and non-honours degrees should be re-introduced. 4.48
- (28) Group II of the Professional, Degree and Related Grades should not be referred to as the 'Honours Degree Group'. 4.50
- (29) The practice of appointing otherwise suitable candidates with slightly lower qualifications should be retained and be extended to other grades where appropriate; such appointees should continue to enter at suitable salary points below the normal entry point. 4.53-4.54
- (30) Increments for additional qualifications obtained by serving officers should be granted only exceptionally. 4.55

Factors : Extraneous Duties or Responsibilities

- (31) Where the duties of a rank entail a level of responsibility or a supervisory role beyond that usually expected of equivalent ranks, the pay scale of the rank should be suitably adjusted. 4.56
- (32) The pay for a job should cover the entire range of work reasonably expected to be undertaken by holders of that job. 4.58
- (33) The introduction of new technology should be recognized as a relevant factor only if it will bring about permanent changes to the nature of work. 4.59
- (34) The payment of an Extraneous Duties Allowance should be made only if the duty is clearly outside the normal scope of work of the rank. 4.61

Factors : Working Conditions

- (35) In determining whether a particular hardship feature should be recognized, apart from reference to the group norm, the degree of hardship in the context of reasonable demand on the staff concerned should be considered. 4.62
- (36) The following hardship features may be relevant:-
- (a) Obnoxious or dangerous duties 4.63
 - (b) Enforcement duty 4.64
 - (c) Shift work 4.65
 - (d) Outdoor work in all weathers 4.66
 - (e) Requirement to work on public holidays and Sundays or at unsocial hours 4.69
- (37) A suitable form of recognition, probably a flat-rate allowance, should be awarded to staff assuming regular 'on call' duty exceeding a stipulated period of time. 4.71
- (38) The requirement to wear uniform should not be taken into account in setting pay scales. 4.72
- (39) The subjection of civilian staff to disciplinary rules of the disciplined services should not constitute sufficient grounds for additional pay unless the staff concerned are required to undertake dangerous or enforcement duties. 4.73
- (40) The element of stress in the work undertaken by staff should not be treated as a separate hardship-related factor but should be considered in the context of the causes giving rise to the stress. 4.74