

CHAPTER ONE

INTRODUCTION

(This Chapter traces the progress of the 1989 Non-Directorate Salary Structure Review and outlines the procedures adopted in the current phase of work)

Background

1.1 At the invitation of the Administration, we began in March 1989 an overall review of the salary structure of the non-Directorate civil service grades within our remit. This is the second such exercise undertaken by the Commission since its establishment eleven years ago.

1.2 In this review, we have decided that, as in our previous exercise in 1979-80, our study should concentrate on matters relating to salary structure. We consider that fringe benefits, while being an important element of remuneration, involve complex issues which should be dealt with separately. The scope of this review therefore covers mainly three areas : re-establishing the principles and practices governing civil service pay, reviewing the pay relativities between the public and private sectors and examining in detail the salary structure of each individual grade.

1.3 In view of the extensive scope of the exercise, the complexity of the issues involved and the large number (over 300) of grades affected, the review is divided into phases and is estimated to take about two years to complete. In the first phase, we have reviewed the general principles and practices governing pay to establish a common basis for examining individual grades in subsequent phases. As it is necessary to have regard to practices in the private sector in setting civil service pay, we have also initiated a series of pay comparison surveys to obtain the relevant information.

1.4 Meanwhile, against the background of a territory-wide manpower shortage, quite a number of civil service grades have experienced problems in recruiting or retaining staff. At the request of the Administration, we have separately examined these problems with particular reference to a number of the more seriously affected grades.

1.5 The First Report on the 1989 Salary Structure Review (Report No. 23 or the First Report), which contained our findings and recommendations arising from the first phase of our work, was submitted to the Governor on 12 October 1989. The recommendations were subsequently accepted by the Government.

1.6 This report covers the second phase of our work, which focuses on reviewing the salary structure of individual grades. Because of the large number of grades to be examined, we have decided to review them in batches, setting the order by reference to the existing civil service qualification groupings. Altogether 126 grades belonging to the Professional, Degree and Related Grades and the Polytechnic Higher Diploma, Diploma and Related Grades have been included in the first batch.

1.7 Concurrently with the review of individual grades, we have completed our study of the several general issues mentioned in the First Report, including those relating to the Training Pay Scale, the Model Scale 1 and the Master Pay Scale.

Procedures

1.8 We have continued to divide ourselves into three Working Groups in the current phase of the review. Individual grades are first examined in detail by the Working Groups, which report their recommendations to the Commission for consideration and endorsement. Service-wide issues are dealt with directly by the full Commission.

1.9 We have undertaken a further series of visits to Government departments to meet staff at their work place and to exchange views with departmental management and staff representatives. A list of the departments visited is at Appendix D.

1.10 In addition to the 464 written submissions which we have acknowledged in the First Report, we have so far received another 99 representations from staff and departmental management. A full list is at Appendix E. Where necessary, we have arranged meetings with departmental management and representatives of staff associations to discuss their submissions. A list of such meetings is at Appendix F.

1.11 We wish to stress that all the views expressed by staff and management have been fully taken into account in our deliberation. In the Chapters which follow, we make reference to some of the representations which we have received. The fact that we do not mention all or any of the points made in certain representations does not mean that they have not been considered. Representations received after we have finalized our recommendations will be dealt with in the next phase where necessary.

1.12 Although we have set the order of reviewing individual grades by reference to the qualification group to which each belongs, a number of grades to be examined later have represented to us that their review should be advanced to the current phase. While we fully appreciate their desire for an early review, considerable difficulties are involved. To accommodate such requests would mean either that these grades would be examined outside the context of their qualification groups, or that the review of the groups concerned must be brought forward, resulting in considerable delay in the current phase. Both situations would be undesirable. In the circumstances, we have decided to adhere to our original schedule and press ahead with our task. It is also relevant to note that the Government has already announced that all the recommendations affecting existing pay scales arising from this overall review will take effect from 1 October 1989. Thus, no grade is disadvantaged by the order in which it is examined.