

CHAPTER 2

1989 SALARY STRUCTURE REVIEW

2.1 At the invitation of the Administration, we began in March 1989 an overall review of the salary structure of the non-directorate civil service other than the disciplined services and the judicial service. Because of the extensive scope of the exercise, the complexity of the issues involved and the large number of grades affected, the Review was conducted in stages and was estimated to take about two years.

2.2 In the first stage of the Review during April to September 1989, we focused on re-examining the prevailing principles and practices governing civil service pay. We also reviewed separately the problems of recruitment and retention in the civil service. The results of our work were set out in the First Report on the 1989 Salary Structure Review (Report No. 23), which was submitted to the Governor on 12 October 1989. The recommendations in the Report were accepted by the Government.

2.3 In the second stage of the Review between October 1989 and March 1990, we examined the salary structure of 126 individual grades in the Professional, Degree, Polytechnic Higher Diploma, Diploma and Related Grades. In addition, we reviewed the pay benchmark for each qualification group having regard to pay practice in the private sector. Pay Comparison Surveys were specially conducted to collect the necessary information. We also examined other subjects including modification of the Master Pay Scale, restructuring of the Training Pay Scale, and amalgamation of Model Scale 1 with the Master Pay Scale.

2.4 By March 1990, the second stage of the Review was completed and the Second Report on the 1989 Salary Structure Review (Report No. 25) was submitted to the Governor on 29 March 1990. The recommendations in the Report were subsequently accepted by the Government.

2.5 In the third and final stage of the Review, which ended in December 1990, we examined the remaining 216 individual grades as well as a number of general issues which had arisen during the review of individual grades. Our Third and Final Report on the 1989 Salary Structure Review (Report No. 26) was submitted to the Governor on 14 December 1990. Our recommendations have now been accepted by the Government.

2.6 In conducting the Review, we divided ourselves into Working Groups for the detailed examination of individual grades. The Working Groups reported their findings to the full Commission for consideration and endorsement.

2.7 To ensure full consultation with staff and management, we invited departmental management and staff to submit representations on matters relating to the Review. A total of 740 representations from departmental management, staff associations and individuals were received. We also visited departments and met staff groups to gain a better understanding of their work and problems.

2.8 The Review has been completed in twenty months, some four months ahead of our original schedule. Our recommended revisions of the salary structure have been arrived at after very thorough research and examination as well as extensive consultation with staff and management. We believe that the new order will meet the needs of the civil service for some time to come. Reviews of such a scale should not be conducted frequently, not only because they are time consuming but also because the protracted process puts the civil service under considerable strain. Moreover, they are not conducive to the continuity and stability of the civil service, the maintenance of which is made all the more important in the lead-up to 1997.