

## CHAPTER 4

### PAY TREND SURVEY SYSTEM

4.1 The annual adjustment of non-Directorate civil service pay scales is based on a pay trend survey system that produces indicators of the average pay movements of full-time employees in the private sector over a period of one year. Using pay trend indicators as a basis to adjust civil service pay scales ensures that the size of the adjustment is broadly comparable to the average of that received by employees in the private sector. The final adjustment is also subject to other factors such as budgetary considerations.

#### 1990/91 Pay Trend Survey

4.2 Previously, the survey period covered by an annual pay trend survey ran from 1 February of the previous year to 31 January of the following year. However, in 1990/91, the survey period was revised to run from 2 April 1990 to 1 April 1991 so that more current pay adjustment information could be included in the survey. Arising from this change, the survey for the transitional year was extended to include the period 1 February to 1 April 1990 so that there would not be any missing period in the transition from the old system to the new. The survey for 1990/91 therefore covered a 14-month period from 1 February 1990 to 1 April 1991.

4.3 Commissioned by the Pay Trend Survey Committee, the Pay Survey and Research Unit conducted the 1990/91 Pay Trend Survey between February and May 1991. Information on pay adjustments made to employees in 67 selected companies during 1 February 1990 to 1 April 1991 was gathered and analysed in accordance with the criteria laid down. The results were validated by the Pay Trend Survey Committee and released in May 1991. A summary of the results of this survey is at Appendix F.

#### Pay Trend Survey Methodology

4.4 In the light of the experience of the 1990/91 survey, we reviewed the methodology for future surveys in November 1991. We noted that the revised survey period adopted in the 1990/91 survey did not produce any adverse

reaction either from the participating companies or from the civil servants. It was also brought to our attention that piece-rated employees, who had hitherto been included in the pay trend survey, were remunerated on a totally different basis from that of civil servants. Moreover, they constituted a very small percentage of the total survey employees. Having considered the advice of the Pay Trend Survey Committee, we recommended that they be excluded from the pay trend survey beginning from the 1991/92 survey.

4.5 This recommendation was set out in our letter of 14 November 1991 to the Governor (Appendix G).