

CHAPTER 1

INTRODUCTION

Preamble

1.1 In the 1997 Policy Address, the Government made a commitment to carry out a review of the system of Civil Service Qualification Benchmarks to determine whether or not civil service salaries at entry point remain in step with those offered by the private sector.

1.2 The Government's commitment is in line with the policy objective set out in the Standing Commission on Civil Service Salaries and Conditions of Service's (the Commission) report No. 23 published in October 1989, that is, the Government should offer remuneration sufficient to attract, retain and motivate staff of a suitable calibre to provide the public with an effective and efficient service and such remuneration would have to be regarded as fair both by civil servants and by the public they serve. For the remuneration to be so regarded, the Government accepted, on the Commission's advice in 1989, that comparability with the private sector should be an important factor in setting civil service pay. The above objective remains just as valid today as 10 years ago.

1.3 A review of civil service starting salaries was undertaken as part of the overall civil service salary structure review by the Commission in 1979 and again in 1989. Therefore, we agree that it is opportune to conduct a review of civil service starting salaries in 1999.

The Review

1.4 On 23 October 1998, the Commission was invited by the Secretary for the Civil Service (SCS) to undertake a review of civil service starting salaries (the Review). The Commission accepted the invitation on 5 November 1998 and set up a Steering Group to oversee its implementation.

1.5 In his letter to the Commission dated 23 October 1998 commissioning the Review, the SCS made it clear that the scope of the Review should be confined to the Civil Service Qualification Benchmarks (Benchmarks) and the starting salaries for individual grades within the various Qualification Groups (QGs). The need for further reviews shall be considered in the light of the findings of the Review. (A copy of the SCS's letter is at Appendix I.)

1.6 This Review is different from the overall reviews conducted by the Commission in 1979 and 1989. On those two occasions, a wide range of other issues such as civil service pay policy and the detailed arrangements of the salary and ranking structure of each and every grade in the civil service were covered besides Benchmarks and starting salaries. For each of these two reviews in the past, the Commission took about 20 months to complete. For the current Review, however, the Commission has been asked to complete the pay comparison survey and submit recommendations to the Government by mid-1999.

Acknowledgements

1.7 We would like to express our sincere gratitude for the support of the 133 companies which took part in the pay comparison survey. Without their cooperation, it would not be possible to achieve a meaningful comparison of the entry pay in the private sector and the civil service.

1.8 We would also like to thank the representatives of the staff councils/associations and those private sector organisations who provided us with useful views on the methodology for the pay comparison survey and shared with us their opinions about the Review. Last but not least, our appreciation goes to all the staff in the Commission Secretariat and the Pay Survey and Research Unit who have spared no effort in ensuring the smooth and timely completion of the Review.