

CHAPTER 4

RECOMMENDATIONS ON THE NEW CIVIL SERVICE QUALIFICATION BENCHMARKS AND STARTING SALARIES

4.1 This Chapter deals with the determination of new Benchmarks and starting salaries in the light of the findings of the pay comparison survey.

Approaches adopted in 1989

4.2 In determining the new Benchmarks for the 16 QGs, we have had regard to the approaches adopted by the Commission in 1989. In the case of QGs where new benchmark salaries were identified in the 1989 pay comparison survey, the Commission then adjusted the Benchmarks as close to the new benchmark salaries as possible without adhering to the exact dollar value. The Commission considered that in a review where the objective was to ensure broad comparability with the private sector, there was no need to stick to the precise dollar value of the new benchmark salaries. The new Benchmarks were, therefore, pegged to a nearest pay point on the Master Pay Scale (MPS). In the case of QGs where no new benchmark salaries could be identified, the Commission, in 1989, worked out the Benchmarks for the QGs concerned by reference to their established relativities with other QGs where data were available.

4.3 Since the objective of making broad comparisons of pay is the same in the current Review as it was in 1989, we have decided that the above arrangements should again be followed. We note that the determination of Benchmarks by reference to established relativities may not be considered ideal. It may be argued that the rationale and justifications for such relativities should be reviewed at the same time to see if they remain valid in the present circumstances. However, the Review's limitations in terms of time and scope do not allow for this to be done and we consider that reference to the established relativities remains a pragmatic and less controversial approach for dealing with Benchmarks and starting salaries for QGs where no new benchmark salaries could be identified. Furthermore, it is fair to say that the present system of internal relativities remains an important component of civil service pay policy and the system (put in place since the review in 1989)

seems to be working well up till now and generally accepted by the Government and civil servants.

New Benchmarks

4.4 Against the above considerations, we set out in the following paragraphs our recommended new Benchmarks for the individual QGs –

(a) *QG 1 : Grades not requiring a full School Certificate*

4.5 The current Benchmark for QG 1 is MPS 1 (\$8,625). The survey results indicate a lower benchmark salary of \$8,092.5. We recommend that a new MPS point below the existing MPS 1, to be designated as MPS 0 (\$8,125), should be introduced as the new Benchmark for this QG. Other than this change, there is no need to re-number the existing points on the MPS and the current dollar value attached to each MPS point should remain unchanged.

(b) *QG 2 : Group I of School Certificate Grades*

4.6 The current Benchmark for QG 2 is MPS 3 (\$9,785). The survey results indicate a lower benchmark salary of \$9,208 which can be pegged to MPS 2 (\$9,180). We recommend that the Benchmark for this QG be lowered from MPS 3 to MPS 2.

(c) *QG 3 : Group II of School Certificate Grades*

4.7 For QG 3, while the basic academic requirement for appointment is identical to that of QG 2, the starting salaries for grades in QG 3 have been based largely on quite different additional appointment requirements for different grades, such as experience and special skills as well as other job factors such as supervisory or managerial responsibilities. Therefore, the Commission decided in the review in 1989 that no Benchmark should be set for this QG. For the present Review, we have followed the practice in 1989 viz. that no Benchmark should be set for QG 3 and the starting salaries for grades in QG 3 should continue to be adjusted based on its relativity with QG 2.

(d) *QG 4 : Group I of Higher Diploma, Diploma and Related Grades*

4.8 For QG 4, the entry requirement is a “Higher Diploma” and its current Benchmark is MPS 13 (\$18,140). In terms of job functions, nearly all grades in QG 4 are affiliated to the job family of “Health and Social Services”. Sufficient data could not be obtained for this Group in the current survey for meaningful analysis. It is worth pointing out that while private sector pay data could be obtained for “Higher Diploma” holders in other job families such as accounting, these would not be useful for comparison purpose. We recommend that the new Benchmark for this Group be derived by reference to its established relativity with QG 7 (i.e. the Technical Inspectorate and Related Grades Group). Since the survey results indicate a lowering of the Benchmark for QG 7 (vide paragraph 4.11 below) by two points from MPS 13 (\$18,140) to MPS 11 (\$16,095), the Benchmark for QG 4 should also, in such circumstances, be lowered from MPS 13 to MPS 11.

(e) *QG 5 : Group II of Higher Diploma, Diploma and Related Grades*

4.9 For QG 5, the entry requirement is a “Diploma” and its current Benchmark is MPS 10 (\$15,160). The survey findings indicate a lower benchmark salary of \$11,917, which can be pegged to MPS 6 (\$11,820). We recommend that the Benchmark for QG 5 be lowered by four points from MPS 10 to MPS 6.

(f) *QG 6 : Group III of Higher Diploma, Diploma and Related Grades*

4.10 For QG 6, the entry requirements are either Form IV plus two years’ training or School Certificate plus one year’s training. The current Benchmark is MPS 7 (\$12,595). As sufficient data could not be collected for this Group, we recommend that the new Benchmark for QG 6 be derived by reference to its traditional relativity with QG 5. The existing Benchmark of QG 5 is three points above that of QG 6. Since the new Benchmark for QG 5 will now be MPS 6, the new Benchmark for QG 6 should become MPS 3 (\$9,785).

(g) *QG 7: Technical Inspectorate and Related Grades*

4.11 For QG 7, the entry requirement is Higher Certificate plus working experience and its current Benchmark is MPS 13 (\$18,140). The survey findings indicate a lower benchmark salary of \$16,250, which can be

pegged to MPS 11 (\$16,095). We recommend that the Benchmark for QG 7 be lowered by two points from MPS 13 to MPS 11.

(h) *QG 8 : Group I of Technician, Supervisory and Related Grades*

4.12 Grades in QG 8 are normally filled by the appointment of experienced Model Scale 1 staff or persons with considerable experience who have gone through certain technical training or have completed some recognized apprenticeship. The current Benchmark for QG 8 is MPS 6 (\$11,820). The survey findings indicate a new benchmark salary of \$11,994 which is close to the dollar value of the existing Benchmark. We recommend, therefore, that the Benchmark for QG 8 should remain unchanged at MPS 6 (\$11,820).

(i) *QG 9 : Group II of Technician, Supervisory and Related Grades*

4.13 Grades under QG 9 are primarily those which were regraded from the former segments of Senior Artisan and Artisan of Model Scale 1 Pay Scale in the review in 1989. The current Benchmark of QG 9 is MPS 6 (\$11,820). The survey findings indicate a lower benchmark salary of \$11,191.5, which can be pegged to MPS 5 (\$11,115). We recommend that the Benchmark for QG 9 be lowered by one point from MPS 6 to MPS 5.

(j) *QG 10: Matriculation Grades*

4.14 The current benchmark for QG 10 is MPS 10 (\$15,160). The survey findings indicate a lower benchmark salary of \$10,292, which can be pegged to MPS 4 (\$10,420). We recommend that the Benchmark for QG 10 be lowered by 6 points from MPS 10 to MPS 4.

(k) *QG 11 : Group I of Professional and Related Grades*

4.15 The appointment requirement for QG 11 is membership of a recognised professional institution or equivalent and its current Benchmark is MPS 27 (\$35,285). Sufficient data could not be collected for this Group. Feedback from surveyed companies seems to suggest that the common practice in the private sector is to recruit candidates who are either qualified graduates [e.g. BSc (Engineering)] or have completed all professional examinations (e.g. Finalists of ACCA) with little regard to their professional or chartered membership. Companies tend to reserve senior/professional vacancies for experienced candidates with more than 5 years' experience and only at that level would chartership be required. Therefore, job samples requiring professional qualifications at chartership level would fall outside the scope of the current survey.

4.16 For most of the grades under QG 11, however, there is an Assistant Rank, the starting salaries of which are set by reference to the Benchmark for QG 13 (i.e. the Degree Grades Group). Therefore, we consider that the only practical way to determine the new Benchmark for QG 11 is to relate to the new Benchmark for QG 13. Since the survey findings for QG 13 (vide paragraph 4.18 below) indicate a lowering of its Benchmark by 5 points, the Benchmark for QG 11 should correspondingly be lowered from MPS 27 (\$35,285) to MPS 22 (\$28,075).

(l) *QG 12 : Group II of Professional and Related Grades*

4.17 The appointment requirement for QG 12 is an Honours Degree and grades under this Group have a pay structure closely related to those in QG 11. The current Benchmark for QG 12 is MPS 27 (\$35,285) which is the same as that for QG 11. Feedback from surveyed companies indicates that very few private companies now use Honours Degree as an appointment requirement. As a result, sufficient data for this Group could not be obtained for meaningful analysis. Following the practice of the review in 1989 (where

the pay comparison survey also failed to yield sufficient data for this QG), the new Benchmark for QG 12 is derived on account of its established relativity with QG 11. Since the Benchmark for QG 11 is recommended to be lowered by 5 points, the Benchmark for QG 12 should correspondingly be lowered from MPS 27 (\$35,285) to MPS 22 (\$28,075).

(m) *QG 13 : Degree and Related Grades*

4.18 The current Benchmark for QG 13 is MPS 16 (\$21,010). The survey results indicate a lower benchmark salary of \$15,920, which can be pegged to MPS 11 (\$16,095). We recommend that the Benchmark for QG 13 be lowered by 5 points from MPS 16 to MPS 11.

4.19 Based on the survey findings, QG 13 and QG 10 (i.e. the Matriculation Grades) have experienced a far more drastic reduction in pay as compared with the Technical Grades QGs, i.e. QGs 7, 8 and 9. This may suggest that in the current economic environment, the labour market generally favours those with occupational skills or qualifications. There may also be other contributing factors e.g. an increase in the supply of degree holders and re-structuring of the economy.

(n) *QG 14 : Model Scale 1 Grades*

4.20 The current Benchmark for QG 14 is Point 1 (\$9,785) on the Model Scale 1 Pay Scale (MS). The survey findings indicate a lower benchmark salary of \$8,561. This will require a re-numbering of the entire MS scale with 6 new pay points added to the scale below the existing MS 1. We recommend that the Benchmark for QG 14 be lowered from the existing MS 1 (\$9,785) and re-numbered as the new MS 0 (\$8,615).

4.21 A table showing the new Benchmarks for the 14 QGs covered in
---- the pay comparison survey is at Appendix XVI. The proposed revised Master
---- Pay Scale and the Model Scale 1 Pay Scale are at Appendices XVII(i) and
---- XVII(ii) respectively.

New Starting Salaries

4.22 Following the recommendations by the Commission during the review in 1989, the starting salaries of the majority of civil service grades are

currently pitched variously at 1 to 6 incremental points above their respective Benchmarks. The additional pay points were awarded in recognition of special job factors pertaining to the individual grades.

4.23 The Commission is not required to conduct a thorough review of the job factors of each and every grade in this Review. Therefore, we are not in a position to recommend changes to any of these job factors. Furthermore, the Government has advised that these job factors should be taken as given assumptions for the purpose of the Review. Having considered all these, we think that the only feasible option is to take these job factors as unchanged for the purpose of the Review. But we recommend that the Government should consider undertaking a separate review of these job factors, in particular with respect to the job factor relating to recruitment and retention difficulties, after the completion of the current Review. For the purpose of the current Review, any adjustments to the starting salaries of civil service grades should therefore be made in line with changes to the Benchmarks only.

4.24 Accordingly, the new starting salaries for the entry ranks in the 14 QGs covered in the pay comparison survey can be identified as set out in Appendix XVIII(i).

New Starting Salaries for Entry Ranks in the Two QGs with No Benchmarks and Not Covered by the Pay Comparison Survey

4.25 These are QG 15 (Education Grades) and QG 16 (Other Grades).

Education Grades (QG 15)

4.26 The Education Grades QG is concerned with the provision and administration of education services. It consists of 10 grades which work in four main streams –

- (a) teachers at primary and secondary level;
- (b) lecturers in the “Hong Kong Institute of Education”;
- (c) school/subject inspectors; and
- (d) education administration.

There are graduate and non-graduate grades in each of the streams. The basic entry qualification for a graduate grade is a Degree from any recognised university in Hong Kong or overseas, and that for a non-graduate grade is a Certificate in Education from the Hong Kong Institute of Education (or the Colleges of Education prior to the establishment of the Hong Kong Institute of Education in 1994).

4.27 These grades have long been classified as a separate functional group in view of their interlocking relationship and common identity. In view of the disparate entry requirements for grades in this group, the Commission in the review in 1989 did not establish any Benchmark for QG 15 as a group. Instead, the starting pay for entry ranks of the graduate grades and the non-graduate grades were set having regard to the Degree Benchmark (i.e. QG 13) and the Higher Diploma Benchmark (i.e. QG 4) respectively.

4.28 For the purpose of the current Review, therefore, we consider that the approach taken by the Commission in 1989 should be followed viz. (a) no Benchmark should be set for QG 15; and (b) the new starting salaries for the graduate and non-graduate grades in QG 15 should be determined having regard to their established relativities with QG 13 and QG 4 respectively. The recommended new starting salaries for the 10 grades under QG 15 are at
---- Appendix XVIII(ii).

4.29 But we note that the above approach will result in the situation where the starting salaries for two graduate and one non-graduate grades will be the same (at MPS 12). This may upset the internal relativity between the graduate and non-graduate grades within QG 15. We have given careful consideration as to whether the established relativities between the non-graduate grades under QG 15 and QG 4 and between QG 4 and QG 7 should be changed but, on balance, consider that it is more important for the purpose of the present Review to maintain established relativities between QGs in view of their wider implications. Whether it will create problems for the Government for certain graduate and non-graduate grades within QG 15 to have the same starting pay is a matter beyond the remit of the Review.

Other Grades (QG16)

4.30 The separate QG for Other Grades accommodates grades which require appointees to have special aptitude, skills or experience more than academic attainment or grades which cannot be fitted suitably into any of the

other QGs. There are altogether 41 grades in this QG, of which 5 have become obsolete over the years according to information provided by the Government.

4.31 In the review in 1989, the Commission considered that because of the disparate entry requirements and structures of the grades involved, no Benchmark could be set for this QG. The pay scales of the individual grades were then individually reviewed by the Commission taking into account, amongst other things, the appointment requirements and traditional relativities with relevant grades in other QGs.

4.32 We recommend that, as in the review in 1989, no Benchmark should be set for this QG. Since it would not be possible for the Commission to review the civil service grades in QG 16 individually now, the new starting salaries of the 36 grades in this QG should be determined by reference to –

- (a) traditional relativities with relevant grades in other QGs; and
- (b) where such relativities are not readily identifiable, the relevant educational attainment stipulated in the appointment requirements for the individual grades.

---- 4.33 Details of the new starting salaries for grades in QG 16 are set out at Appendix XVIII(iii).

Other Pay Scales

Student Ranks under the Training Pay Scale

---- 4.34 Student ranks are provided in a number of civil service grades, primarily under the Higher Diploma, Diploma and Related Grades group of QGs (i.e. QGs 4, 5 and 6) to train suitable secondary school leavers to enable them to perform the functional duties of the grades concerned. A list of the student ranks is at Appendix XIX(i).

---- 4.35 In the review in 1989, to reflect the trainee status of the staff in the student ranks, the Commission considered it appropriate that student ranks should remain as a distinct group with a separate Training Pay Scale (TPS) within the civil service pay structure. The present TPS is at Appendix XIX(ii). Almost all student ranks require the same qualification for appointment (i.e. School Certificate), the Commission therefore considered in 1989 that the student ranks should form one integral group with a single Benchmark (i.e. TPS Point 3), having regard to, amongst other things, the findings on the Benchmark pay for holders of a School Certificate on the MPS (i.e. MPS 3 for QG 2).

4.36 For the purpose of the current Review, we recommend that the approach used by the Commission in setting the Benchmark for the student ranks in 1989 should continue to be adopted. Accordingly, the new Benchmark for the student ranks should be lowered by one pay point on the TPS from TPS 3 (\$8,820) to TPS 2 (\$8,265) in line with the lowering of the Benchmark for QG 2 by one MPS point.

---- 4.37 Details of the new starting salaries of all student ranks are set out at Appendix XIX(iii).

Apprentice Ranks under the Craft/Technician Apprentice Pay Scales

4.38 Under the apprentice training scheme operated by the Government, apprentices are recruited as civil servants on temporary terms in two separate ranks viz. the Craft Apprentice rank and the Technician Apprentice rank with separate Craft Apprentice Pay Scale and Technician Apprentice Pay Scale respectively. On satisfactory completion of the apprenticeship and the relevant courses, the apprentices will be considered for appointment to the appropriate grades where vacancies exist.

4.39 In the review in 1989, the Commission reviewed the pay scales of the Craft Apprentice and Technician Apprentice ranks based on, amongst other things, the revised Benchmarks for QG 1 and QG 2 respectively.

4.40 For the purpose of the current Review, we consider that the approach used by the Commission in setting the starting salaries of the Craft Apprentice and Technician Apprentice ranks in 1989 should continue to be adopted. Having regard to the fact that while enrollment as a Craft Apprentice does not require a full School Certificate, but that for a Technician Apprentice does, the new starting salaries for the Craft Apprentice and Technician Apprentice ranks should be set by reference to the new Benchmark for QG 1 (Not Requiring a full School Certificate) and QG 2 (School Certificate) respectively, where both are recommended to be lowered by one MPS point.

4.41 The revised starting salaries and the re-numbered pay scale for these two ranks are set out in the table at Appendix XIX(iv).
