

STANDING COMMISSION ON CIVIL SERVICE  
SALARIES AND CONDITIONS OF SERVICE

REPORT No. 62

# REPORT 2019

CHAIRMAN

DR PANG YIU-KAI, GBS, JP

MARCH 2020

**公務員薪俸及服務條件常務委員會**  
**Standing Commission on Civil Service Salaries and Conditions of Service**

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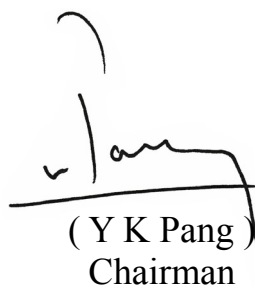
31 March 2020

The Honourable Mrs Carrie Lam Cheng Yuet-ngor, GBM, GBS  
The Chief Executive  
Hong Kong Special Administrative Region  
People's Republic of China

Dear Madam,

--- On behalf of the Standing Commission on Civil Service Salaries  
and Conditions of Service, I have the honour to submit a report on our work  
during 2019.

Yours faithfully,

  
( Y K Pang )  
Chairman

Standing Commission on Civil Service  
Salaries and Conditions of Service

Encl.

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SALARIES AND CONDITIONS OF SERVICE

REPORT No. 62

# REPORT 2019

MARCH 2020

# Standing Commission on Civil Service Salaries and Conditions of Service

*(Membership as at December 2019)*



Front Row: Mr Lee Ming-kwai, GBS    Hon Tony Tse, BBS    Mr Chan Tze-ching, BBS, JP    Dr Pang Yiu-kai, GBS, JP (Chairman)    Mr Lee Luen-fai, JP    Ms Angela Lee, BBS, JP    Ms Elaine Lo

Back Row: Miss Winnie So, JP (Secretary General)    Dr Miranda Lou    Mrs Edith Chan, MH    Ms Christina Lee    Mr Joseph Ngai, JP    Ms Anne Teng (Assistant Secretary General)



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# Chapter 1

## Introduction

1.1 Since its establishment in 1979, the Standing Commission on Civil Service Salaries and Conditions of Service has been advising the Chief Executive on the principles and practices governing pay, conditions of service and salary structure of non-directorate civil servants, other than judicial officers and disciplined services staff. The Commission provides independent advice and makes recommendations to the Chief Executive, after taking into full account relevant factors and views expressed by the parties concerned. The Commission's terms of reference are at **Appendix A**.

1.2 This is our sixty-second report. It gives an account of our major undertakings in 2019. During the year, we held three Commission meetings and for the conduct of the Grade Structure Review for the Veterinary Laboratory Technician and Medical Laboratory Technician grades, we also held three meeting sessions with the departmental managements and staff bodies. In January 2020, we held three informal meetings with the civil service staff bodies.

1.3 The Commission's membership is at **Appendix B**. All Commission Members are non-officials appointed in their personal capacity by the Chief Executive.

1.4 We would like to record our heartfelt thanks to Mr Chan Tze-ching, BBS, JP, and the Honourable Tony Tse Wai-chuen, BBS, who both retired in December 2019 after six years of dedicated service. We also welcome the Honourable Chan Chun-ying, JP, and Mrs Betty Yuen So Siu-mai, JP, who were appointed as Members of the Commission with effect from 1 January 2020.

1.5 We would like to thank Mr Joshua Law Chi-kong, GBS, JP, Secretary for the Civil Service, as well as his staff for their assistance and co-operation.

1.6 On staffing, Mr Yau Kin-chung, JP, took over from Miss Winnie So, JP, as the Secretary General of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service (the Joint Secretariat) in February 2020. We wish to record our thanks to Miss So for her contribution to the Commission during her tenure with the Joint Secretariat. Our appreciation also goes to the staff of the Joint Secretariat for their support during the year.



## **Chapter 2**

### **Grade Structure Review for Veterinary Laboratory Technician and Medical Laboratory Technician Grades**

2.1 As stated in our Report No. 60 “Report 2018”, at the invitation of the Government, the Commission commenced in August 2018 a Grade Structure Review (GSR) for the Veterinary Laboratory Technician (VLT) and Medical Laboratory Technician (MLT) grades. The GSR was one of the foci of our work in 2019.

#### **Background**

2.2 Notwithstanding the conduct of regular service-wide surveys under the Improved Civil Service Pay Adjustment Mechanism (Improved Mechanism)<sup>1</sup>, some grades may still face recruitment and retention difficulties due to their unique circumstances, and a review and, if necessary, a revamp of their grade structures, might be required to address such problems. Other than recruitment and retention difficulties, should there be fundamental changes in the job nature, level of responsibilities and job complexity of a grade, a GSR might also be called for.

2.3 In June 2018, the Government invited the Commission to conduct a GSR for the VLT grade in the Agriculture, Fisheries and Conservation Department (AFCD) and the related MLT grade in the Department of Health (DH). Having considered the recruitment and retention situations of the two grades and other relevant information, the Commission was satisfied that there was a case to carry out a GSR for the two grades. The Commission considered that the GSR for the VLT and MLT grades should focus on whether and, if so, how the grade structures, entry requirements, pay scales and qualification grouping of the two grades should

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<sup>1</sup> Under the Improved Mechanism and pursuant to the recommendations of our Review on Civil Service Pay Level Survey and Starting Salaries Survey, three types of surveys, namely, the annual Pay Trend Survey, the six-yearly Pay Level Survey and the Starting Salaries Survey to be conducted as and when necessary in response to specific circumstances, are carried out to maintain broad comparability between civil service pay and private sector pay.

be altered with a view to improving their staff recruitment and retention situations.

## **Guiding Principles and Key Considerations**

2.4 With reference to the terms of reference of the Commission and building on the experiences of past reviews, the Commission considered that the review should be guided by the following principles and key considerations –

- (a) the Government's civil service pay policy, which is to offer sufficient remuneration to attract, retain and motivate staff of a suitable calibre to provide the public with an effective and efficient service; and to ensure that civil service remuneration is regarded as fair by both civil servants and by the public they serve through broad comparability with the private sector;
- (b) the established pay principles, such as the qualification benchmark system for determining entry pay as well as the outcome of detailed deliberation in previous reviews, notably the 1989 Salary Structure Review<sup>2</sup>;
- (c) how the work nature, job duties, responsibilities and workload of the two grades had evolved since the 1989 Salary Structure Review;
- (d) public expectation on the two grades under the prevailing social, economic and political climate;
- (e) morale, retention and career progression situation of the two grades;
- (f) how changes to the grade structures, pay scales, etc. recommended under the GSR might affect the existing staff of both grades;

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<sup>2</sup> Upon invitation of the Government in March 1989, the Commission conducted a salary structure review of some 340 non-directorate civilian grades and completed the exercise in December 1990.

- (g) wider implications that the recommendations of the GSR might have on related grades and beyond; and
- (h) relevant wider community interests, including financial and economic and public health considerations.

## **Mode of Operation**

2.5 The Commission adopted a two-tier mode of operation in conducting the GSR, under which a dedicated Working Group was established to conduct the GSR before submitting its findings and proposals to the full Commission for consideration.

2.6 The Working Group conducted the GSR through a combination of fact-finding exercise, invitation and examination of written submissions from the departments, staff bodies and concerned staff, as well as visits and meetings with them. In response to our invitation, a total of ten written submissions were received from these stakeholders.

2.7 Throughout its deliberation, the Working Group had adhered to the guiding principles and key considerations set out in paragraph 2.4. It also took full account of all the submissions of the departmental managements, the staff associations as well as individual staff members, and duly considered the characteristics and the manpower situation of the two grades. The Working Group put forth a series of preliminary recommendations for the Commission's consideration. After carefully reviewing the preliminary recommendations of the Working Group and conducting a final round of meetings with the departmental managements and the staff associations to listen to their views, the Commission finalised its recommendations which it considered should help AFCD and DH address the manpower problems of the VLT and MLT grades and be beneficial to the long-term development of the two grades.

## **Key Findings and Recommendations**

2.8 The VLT and MLT grades are Supplementary Medical Professions grades (SMP grades) under the management of AFCD and DH

respectively. They are responsible for providing services under their respective purviews, such as conducting routine and specialised laboratory tests and examinations; evaluating, validating and updating new testing protocols and methodologies; carrying out maintenance and calibration of laboratory apparatus; and maintaining the day-to-day operation of laboratories. They are classified under Qualification Group (QG) 3 Group II : Diploma Grades and have identical entry requirements. The VLT grade comprises three ranks: VLT II, VLT I and Veterinary Technologist (VT), while the MLT grade consists of five ranks: MLT II, MLT I, Medical Technologist (MT), Senior Medical Technologist (SMT) and Chief Medical Technologist.

2.9 Based on the manpower statistics of the VLT and MLT grades provided by the Government, the Commission came to the view that the VLT grade had been facing persistent and serious recruitment and retention difficulties, while the MLT grade had been experiencing slight turnover problems.

2.10 In recognition of the increasing job complexity and level of responsibilities for the VLT and MLT grades over time, the Commission recommended re-classifying the two grades from QG 3 Group II : Diploma Grades to QG 3 Group I : Higher Diploma or Associate Degree Grades and raising the entry requirement from Diploma level to Higher Diploma level to reflect the minimum level of qualification required for competent performance of the jobs, as well as to bring the qualification grouping of the two grades in line with that of the other SMP grades in the civil service.

2.11 The Commission also recommended merging the two ranks of VLT II and VLT I to form a new entry rank of Associate Veterinary Technologist and merging the two ranks of MLT II and MLT I to form a new entry rank of Associate Medical Technologist. The pay scales of the entry ranks of the two grades after the proposed mergers will be improved from Master Pay Scale (MPS) Points 8-21 to MPS Points 14-24 with an omitted point at MPS Point 17. This should help enhance the attractiveness of the two grades and alleviate recruitment difficulties. It should also help boost the morale of existing staff and retain them.

2.12 For the higher ranks, the Commission recommended raising the maximum pay of the VT rank of the VLT grade and the MT rank of the MLT grade by one pay point from MPS Point 33 to MPS Point 33A. The

adjustment was to recognise the increase in the level of responsibility and expertise required of these ranks.

2.13 Having regard to the functional need of the VLT grade, the Commission further recommended the creation of a new promotion rank of Senior Veterinary Technologist, which would also improve the career path and hence the attractiveness of the grade. The rank of SMT already exists for the MLT grade.

2.14 In conducting the GSR, the Commission came across several issues that fell outside the ambit of the review but were considered to be of relevance to the effective and efficient management of the two grades, for example, working environment and promotion requirements. We brought the issues to the attention of relevant authorities and encouraged them to take further steps outside the framework of pay and grade structure to enhance the overall attractiveness of a career with the two grades.

2.15 The above recommendations were contained in the Commission Report No. 61 “Grade Structure Review for Veterinary Laboratory Technician and Medical Laboratory Technician Grades”, which was submitted to the Chief Executive on 26 July 2019. The Report is available on the website of the Joint Secretariat at <http://www.jsscs.gov.hk>.

## Chapter 3

### **Advice on Individual Submissions, Informal Meetings with Civil Service Staff Bodies and Other Activities**

3.1 During the year, the Government invited the Commission to advise on a proposal to improve the salaries for School Heads and Deputy Heads in primary schools. The Government also sought the Commission's views on a proposal to reduce the conditioned hours of work of the Car Park Attendant I (CPA I) and Car Park Attendant II (CPA II) grades, and a proposal to enhance the overtime (OT) compensation arrangement for staff of the Chauffeur (CH) grade. During the year, we also met with representatives of the major civil service staff bodies to keep abreast of current issues of concern to staff. A brief account of these activities is set out in the following paragraphs.

#### **Improving the Salaries for School Heads and Deputy Heads in Primary Schools**

##### ***Background***

3.2 The Chief Executive announced in her 2017 Policy Address that in-depth reviews would be undertaken in eight key areas of education, including, among others, the professional development of teachers. A dedicated Task Force on Professional Development of Teachers (Task Force)<sup>3</sup> was set up in November 2017 to undertake the review on the professional development of teachers to achieve professional-led quality education.

3.3 In her 2018 Policy Address, the Chief Executive announced that in tandem with the development of whole-day schooling and implementation of the all-graduate teaching force policy in primary schools, there would be a need to, among others, rationalise the salaries for School Heads and Deputy

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<sup>3</sup> The Task Force comprises representatives from secondary, primary and special schools, school sponsoring bodies, teacher education universities and teacher groups, an expert on human resources management and a representative from the Education Bureau.

Heads in primary schools (i.e. the Primary School Master/Mistress (PSM) grade).

### ***The Government's Original Proposal***

3.4 In view of the extensive development on the education landscape with various initiatives to meet students' changing learning needs which had increased both the workload and the work complexity of School Heads/Deputy Heads, and to give due incremental credits in recognition of experience, the Government proposed enhancing the pay scale of the Senior Primary School Master/Mistress (SPSM)<sup>4</sup> rank from Master Pay Scale (MPS) Points 34-35 to MPS Points 34-39 to provide better career advancement prospects and incentives to attract quality teachers to the primary school sector and to encourage more PSMs to progress upwards to take up school leadership ranks.

3.5 The Government also proposed adjusting the pay scales for the Headmaster/Headmistress II (HM II)<sup>5</sup> and Headmaster/Headmistress I (HM I)<sup>6</sup> ranks, from MPS Points 35-39 to MPS Points 40-43 and from MPS Points 38-41 to MPS Points 44-47 respectively, to give due recognition to the important roles they played, the complex duties they handled, and heavier workload that arose from the implementation of whole-day primary schooling since 1993 and a host of other education initiatives introduced over the years.

### ***The Commission's Advice on the Original Proposal***

3.6 We considered the above proposal at the Commission meeting on 1 February 2019. While we supported that there was a need to improve the salary scales of the Heads/Deputy Heads of primary schools, we were mindful of considerations of possible read-across implications, possible upsetting of the fine balance in the relativity between the salary scales of the headship of the primary and secondary school sectors and the merit for necessary retention of overlaps among the salary scales of the relevant ranks. We invited the Government to fine-tune its proposal in a few areas.

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<sup>4</sup> They are Heads of primary school with 11 classes or less or Deputy Heads of primary school with 12 classes or more.

<sup>5</sup> They are Heads of primary school with 12 classes to 23 classes.

<sup>6</sup> They are Heads of primary school with 24 classes or more.

### ***The Government's Revised Proposal***

3.7 In the light of the Commission's advice, the Government carefully balanced against the rationale of the recommendations of the Task Force as well as the functional and development needs of the school sectors, and fine-tuned its proposal. The revised proposal is set out in **Table 1** below –

**Table 1: The Government's Revised Proposal**

<b>Rank</b>	<b>Existing Salary Scale</b>	<b>Original Proposal</b>	<b>Revised Proposal</b>
<b>SPSM</b>	MPS 34-35	MPS 34-39	<b>MPS 34-39</b>
<b>HM II</b>	MPS 35-39	MPS 40-43	<b>MPS 40-43</b>
<b>HM I</b>	MPS 38-41	MPS 44-47	<b>MPS 43-46</b>

3.8 The Government pointed out that it had been generally acknowledged that the responsibility and workload of the Heads/Deputy Heads of primary schools had significantly increased as a result of the education reforms and initiatives, including, notably, the implementation of whole-day primary schooling since 1993, for which there had not been corresponding adjustments to their pay. This historical reason had given rise to the substantial gap between the salary scales of the headship in the primary and secondary school sectors. The Government considered that there was a need to narrow this gap to better attract talents to join the primary school sector for its long-term development.

### ***The Commission's Advice on the Revised Proposal***

3.9 We considered the Government's revised proposal by circulation of paper in March 2019. We concluded that we had no further comments on the revised proposal and replied to the Government on 19 March 2019.

3.10 Subsequently, further to our confirmation with the Government on its revised proposal, the Government obtained the support of the Legislative Council (LegCo) Panel on Education for the revised proposal at



its meeting on 29 March 2019. The proposal was later endorsed by the LegCo Establishment Subcommittee of the Finance Committee at its meeting on 11 June 2019. The Government will continue to seek approval for funding the implementation of the proposal.

## **Reduction of the Conditioned Hours of Work of the Car Park Attendant I and Car Park Attendant II Grades**

### ***Background***

3.11 There is no uniform conditioned hours of work<sup>7</sup> in the civil service. Specific conditioned hours of work are laid down for different grades of civil servants according to operational requirements and other relevant considerations.

3.12 It is the Government's policy that any proposal to reduce the conditioned hours of work of a particular grade should fulfill three prerequisites, *viz.* cost-neutrality, no additional manpower and maintenance of the same level of service to the public (the three prerequisites). For parity considerations and proper management, the conditioned hours of work for all civil servants in the same grade should be the same (i.e. the "same grade, same conditioned hours of work" principle).

### ***The Government's Proposal***

3.13 The Government last reviewed the conditioned hours of work of all Model Scale 1 (MOD 1) grades in 2013. After consulting the Commission, the Government approved the reduction of the conditioned hours of work of the Supplies Attendant grade from 45 hours net per week to 45 hours gross per week with effect from 15 April 2016. As the Government's continuous effort to respond to the demand of the staff side, the Government invited the relevant bureaux/departments (B/Ds) between 2016 and early 2018 to assess again the feasibility of reducing the conditioned hours of work of five MOD 1 grades, namely the CPA II, Ganger, Property Attendant, Ward Attendant and Workshop Attendant grades.

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<sup>7</sup> Conditioned hours of work means the hours of duty for which salary is calculated to cover and the hours which must be worked before overtime work is counted.

3.14 According to the review findings, the Government considered that it was feasible to reduce the conditioned hours of work of the CPA II grade. The Government also took the opportunity of considering whether the same extent of reduction of the conditioned hours of work could be extended to the CPA I grade which is a non-MOD 1 grade.

3.15 The Government conducted two six-month trial schemes from 1 August 2018 to 31 January 2019 to assess the feasibility of the proposed reduction of the conditioned hours of work of the CPA I and CPA II grades. Upon completion of the trial schemes, the Government was satisfied that the reduction of the conditioned hours of work of the CPA I and CPA II grades was in compliance with the three prerequisites and the “same grade, same conditioned hours of work” principle. The Government therefore proposed that the conditioned hours of work of the CPA I and CPA II grades could be permanently reduced from 45 hours net per week to 45 hours gross per week.

### *The Commission’s Advice*

3.16 We considered the Government’s proposal by circulation of paper in May 2019. The Commission noted that the net conditioned hours system had been one of the key concerns frequently touched upon in the Commission’s rounds of informal meetings with the staff bodies over the years. The Commission had strongly encouraged the Government to strive for further improvements on this front.

3.17 In view of the Commission’s previous deliberations, the success of the trial schemes and the Government’s assessment that the reduction of the conditioned hours of work of the CPA I and CPA II grades was in full compliance with the three prerequisites and the “same grade, same conditioned hours of work” principle, the Commission replied to the Government on 10 May 2019 rendering our support for the proposal. The proposal has been put into effect since 1 June 2019.

## **Enhancement of Overtime Compensation Arrangement for Staff of the Chauffeur Grade**

### ***Background***

3.18 Under the Civil Service Regulations, OT work refers to work undertaken over and beyond an officer's conditioned hours of work. OT should normally be compensated by time-off in lieu. An OT allowance (OTA) may be paid to compensate OT work performed by eligible officers if it is, or is likely to be, impracticable to arrange time-off in lieu.

3.19 In general, for eligible civilian staff, the normal hourly rate of OTA is 1/140 of an officer's monthly salary. A consolidated OTA at the rate of 1/210 of the officer's monthly salary per hour may be paid for any hours worked in excess of 150 hours of OT a month.

3.20 OT work performed by CH grade members is compensated by a special Consolidated Overtime Allowance for staff of the CH grade (CHCOA) which was introduced in 1957. It is different from the normal OT compensation arrangement set out in paragraphs 3.18 and 3.19. CHCOA includes a monthly lump sum allowance for the first 100 hours of OT in a calendar month (CHCOA monthly rate). Any OT worked in excess of 100 hours in a calendar month would be compensated at an hourly rate of 1% of the CHCOA monthly rate of the staff concerned.

### ***The Government's Proposal***

3.21 The Government Chauffeurs Union, the staff association representing the CH grade, considered that CHCOA was unfair to CHs since under some scenarios, CHs received less OT compensation than staff of the Motor Driver (MD) grade<sup>8</sup> with the same pay point for the same number of OT hours worked. Having considered the job nature of the CH grade, the amount of OT worked by CH grade staff each month on average, and the existing OT compensation arrangements for the CH and MD grades, the Government considered that there were justifications to enhance the OT compensation arrangement for the CH grade.

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<sup>8</sup> Another civil service civilian grade employed on driving duties whose OT is compensated in accordance with the normal OT compensation arrangement set out in paragraph 3.19.

3.22 Under the Government's enhancement proposal, the CHCOA monthly rate for the first 100 hours of OT performed by CHs would remain unchanged. The formulae for calculating the hourly OT compensation from the 101<sup>st</sup> hour onwards would be enhanced by making reference to the OTA rates for MDs and the other civilian grades<sup>9</sup>.

### ***The Commission's Advice***

3.23 We considered the Government's proposal by circulation of paper in December 2019. On the strength of the justifications put forth by the Government, we supported the above proposal and replied to the Government on 19 December 2019 rendering our support. The relevant arrangement has been put into effect since 1 January 2020.

## **Liaison with the Major Civil Service Staff Bodies**

### ***Background***

3.24 Since 1992, the Commission has held regular informal meetings with the staff sides of the Senior Civil Service Council (SCSC) and the MOD 1 Staff Consultative Council, which are the two Central Consultative Councils of the Government in respect of the civilian grades. The staff side of the SCSC is made up of the Association of Expatriate Civil Servants of Hong Kong, the Hong Kong Chinese Civil Servants' Association and the Hong Kong Senior Government Officers Association. In order to canvass a wider spectrum of views, the Commission decided in 1996 to meet also the three major confederation-type unions not represented on the SCSC, namely, the Government Employees Association, the Hong Kong Civil Servants General Union, and the Hong Kong Federation of Civil Service Unions. These meetings have proven to be very useful in keeping us apprised of current issues of concern to civil servants.

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<sup>9</sup> Under the proposal, the hourly rates for OT worked from the 101<sup>st</sup> to 250<sup>th</sup> hour and from the 251<sup>st</sup> hour onwards in a calendar month would be revised to 1/140 and 1/210 of the officer's monthly salary respectively.

### ***Major Development of Matters Discussed at Previous Meetings***

3.25 We understand from the previous rounds of informal meetings that the implementation of five-day week (FDW) in the Government, and the conditioned hours of work of the MOD 1 grades have been key concerns to staff. We have appealed to the Government to tackle the issues and to strive for further improvements whilst engaging staff in the process.

### ***The Latest Round of Informal Meetings***

3.26 At the latest round of informal meetings held in January 2020, we exchanged views with the staff bodies on, among others, the annual civil service pay adjustment, extension of service of civil servants, implementation of FDW, conditioned hours of work, Grade Structure Reviews (GSRs), provision of medical and dental benefits, fringe benefits for officers appointed on new terms<sup>10</sup> as well as training and development. In particular, the staff representatives continued to express their wish to have more staff migrated to FDW and to reduce the conditioned hours of work for staff who have longer working hours. Some staff representatives raised that civil servants joining the Government before 1 June 2000 should be allowed to choose to retire at the age of 65. Some also suggested that the fringe benefits for civil servants appointed on new terms should be enhanced in order to attract and retain talents.

3.27 We find the exchange of views with the staff bodies useful. We will continue to convey their views and aspirations to the Government for consideration and follow-up.

## **Other Activities**

### ***Liaison with External Stakeholders***

3.28 In the course of the year, the Commission and the Joint Secretariat maintained close contacts with major interested private sector organisations to keep track of developments in the private sector and to exchange views on civil service pay, conditions of service and pay surveys.

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<sup>10</sup> Officers appointed on “New Terms” are civil servants who are offered appointment on or after 1 June 2000.

In July 2019, we met with representatives from the Employers' Federation of Hong Kong, the Hong Kong Institute of Human Resource Management and the Hong Kong People Management Association to exchange views on the findings of the 2019 Pay Trend Survey.

### ***Grade Structure Review for the Medical and Health Officer Grade***

3.29 On 1 August 2019, the Government invited the Commission to conduct a GSR for the Medical and Health Officer grade and to submit a report on its findings and recommendations to the Chief Executive by end-2020. The Commission considered and accepted the Government's invitation to take on this important task at its meeting on 11 November 2019. A dedicated working group has been formed to take forward the GSR and its findings and initial recommendations will be submitted to the full Commission for consideration.

### ***Pay Level Survey***

3.30 With the last Pay Level Survey (PLS) conducted in 2013, and the completion of the Review on the PLS and the Starting Salaries Survey in December 2018, the Government considered it timely now for the next PLS to be kick-started. On 24 December 2019, the Government invited the Commission to conduct the next PLS under the Improved Civil Service Pay Adjustment Mechanism and to recommend how the findings of the PLS should be applied to the non-directorate civilian grades of the civil service.

3.31 The Commission will consider the Government's invitation, and, if decided to accept the invitation, how to take on this important exercise.

## Chapter 4

### Pay Trend Survey System

4.1 The Pay Trend Survey (PTS) system aims to ascertain the year-on-year average movements in private sector pay. In accordance with the recommendations of the Committee of Inquiry into the 1988 Civil Service Pay Adjustment and Related Matters, the Government deducts the values of civil service increments at their payroll cost in the relevant year (i.e. the payroll cost of increments (PCIs) which is expressed as a percentage of the total payroll cost for each salary band) from the gross pay trend indicators (PTIs) to produce the net PTIs. Having regard to the net PTIs derived from the PTSs and other pertinent considerations (including the state of Hong Kong's economy, the Government's fiscal position, changes in the cost of living, pay claims of the staff sides, civil service morale), the Chief Executive-in-Council (CE-in-Council) decides on the specific rates of adjustment for civil service pay.

#### Pay Trend Survey Committee

4.2 The Pay Trend Survey Committee (PTSC) is an independent committee established by the Government on the Commission's advice in 1983. Its Chairman and Alternate Chairman are nominated from Members of the Commission. Mr Lee Luen-fai, JP, and Mrs Edith Chan, MH, have been the Chairman and Alternate Chairman respectively of the PTSC since 1 January 2019. The PTSC also comprises representatives of the Standing Committee on Disciplined Services Salaries and Conditions of Service, the Civil Service Bureau (CSB) and the staff sides. Its composition is at [Appendix C](#).

4.3 The main function of the PTSC is to commission the annual PTS, analyse the results of the survey, ensure that the agreed criteria for the interpretation of the data collected have been properly applied and agree on its results. The PTSC is the only and final authority for the conduct of the PTS. Once the findings of a PTS have been agreed, neither the PTSC nor the

Commission is involved in any way in subsequent discussions between CSB and the staff sides on any pay adjustment based on the survey results.

4.4 In tendering advice to the Government on the methodology for the PTS, as prescribed by our terms of reference, the Commission has to have regard to the recommendations of the PTSC.

### **Pay Survey and Research Unit**

4.5 The fieldwork of the PTS is conducted by the Pay Survey and Research Unit (PSRU), which is an independent unit under the Joint Secretariat. The PSRU collects information from companies or organisations in the survey field as approved by the PTSC on changes in basic salaries and additional payments relating to cost of living, general prosperity and company performance, general changes in market rates, in-scale increment and merit during the survey period. These data are analysed to produce gross PTIs for three different salary bands. The findings are then presented to the PTSC for validation and agreement.

### **The Improved Methodology of the Pay Trend Survey**

4.6 Starting from 2007, the PTS has adopted an improved methodology as approved by CE-in-Council in March 2007. Under the improved methodology, the survey field is broadened to cover larger companies (with 100 or more employees) and smaller companies (with 50 to 99 employees) in order to enhance the representativeness and credibility of the PTS. To complement the broadening of survey field, the data consolidation method is modified to ensure that the data from smaller companies with 50 to 99 employees are suitably represented.

4.7 In the 2012 PTS, an exclusion category was added to exclude employees affected by Statutory Minimum Wage (SMW), which came into effect on 1 May 2011. The approach to exclude SMW-affected employees continues to be adopted in subsequent PTSs. Since the 2014 PTS, another exclusion category has been added to exclude new recruits who are not subject to pay adjustment decisions during the survey period as a result of company policy.



## **The 2019 Pay Trend Survey**

4.8 The 2019 PTS, commissioned by the PTSC in February 2019, was conducted between February and May 2019. It followed the improved PTS methodology with the refinements as mentioned in paragraphs 4.6 and 4.7.

4.9 A total of 108 companies, comprising 80 larger companies (74%) and 28 smaller companies (26%), participated in the 2019 PTS. The PSRU collected information on pay adjustments in these 108 companies (comprising 146 116 employees) over the 12-month period from 2 April 2018 to 1 April 2019 and analysed the data in accordance with the improved methodology. The gross PTIs<sup>11</sup> derived from the survey findings were released on 16 May 2019, and considered and validated by the PTSC on 23 May 2019. A summary of the results of the survey is at **Appendix D**.

4.10 In June 2019, CE-in-Council decided to put a cap on the PCIs to be deducted from 2019 onwards to ensure no further erosion of the future civil service pay adjustment by the rising PCIs. From 2019-20 onwards, the average PCI for each salary band from 1989-90<sup>12</sup> to 2019-20, or the actual PCI for the particular salary band for the year, whichever is the lower, would be adopted for deriving the net PTI for that salary band. As the average PCIs from 1989-90 to 2019-20 for the three salary bands are lower than the actual PCIs for the respective salary bands, the average PCIs have been adopted for deriving the net PTIs for 2019-20.

4.11 Following the above decision made by CE-in-Council and the subsequent approval of the Finance Committee of the Legislative Council on 28 February 2020, the 2019-20 civil service pay adjustment took retrospective effect from 1 April 2019. The approved salary increases were 4.75% for civil servants in the upper salary band and 5.26% for those in the middle / lower salary bands<sup>13</sup>. The revised pay scales relevant to the Commission's purview are shown at **Appendix E**.

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<sup>11</sup> In the 2019 PTS, the gross PTIs for the upper, middle and lower salary bands are 5.79%, 6.29% and 5.32% respectively.

<sup>12</sup> The year when the PCIs deduction arrangement was first introduced.

<sup>13</sup> To invoke the "bring-up" arrangement so that the pay adjustment rate for the civil servants in the lower salary band would be brought up to that for the middle salary band.

## **Review of Survey Methodology**

4.12 It has been an established practice for the PTSC, as assisted by the PSRU, to conduct a review of the PTS methodology and submit its recommendations to the Commission before the conduct of the next PTS. The PTSC completed the review in December 2019.

4.13 After careful deliberations, the PTSC recommended that the methodology of the 2019 PTS should continue to be adopted for the 2020 PTS.

## **The Commission's Views on the Review of PTS Methodology**

4.14 We supported the PTSC's recommendation. A copy of our letter dated 31 December 2019 tendering advice to the Government on the review of the PTS methodology is at **Appendix F** (with key features of the methodology at **Annex** to the letter).

## **Chapter 5**

### **Future Programme of Work**

5.1 As mentioned in paragraph 3.29, we are in the course of conducting the Grade Structure Review (GSR) for the Medical and Health Officer grade. This GSR is now in full swing.

5.2 As mentioned in paragraphs 3.30 and 3.31, the Government invited the Commission to conduct the next Pay Level Survey (PLS) and to advise on how the survey findings should be applied to the non-directorate civilian grades of the civil service. The invitation is being processed at the time of the preparation of this report. Subject to the Commission's decision to accept the invitation, preparatory work for the PLS will commence in 2020.

5.3 We will continue to carry out our responsibilities in accordance with our terms of reference and tender advice on any proposals from the Government for changes to the pay and conditions of service for individual grades or for the civil service as a whole.

5.4 We will also keep the methodology of the Pay Trend Survey under review to ensure that the data collected are as credible as possible.

5.5 As in the past, we will maintain close contacts with the major civil service staff bodies and interested private sector organisations to keep abreast of developments relating to the discharge of our duties and responsibilities and in carrying out specific tasks.

**Standing Commission on Civil Service  
Salaries and Conditions of Service**

**Terms of Reference**

- I. To advise and make recommendations to the Chief Executive in respect of the non-directorate civil service, other than judicial officers and disciplined services staff, on –
- (a) the principles and practices governing grade, rank and salary structure;
  - (b) the salary and structure of individual grades;
  - (c) whether overall reviews of pay scales (as opposed to reviews of the salary of individual grades) should continue to be based on surveys of pay trends in the private sector conducted by the Pay Survey and Research Unit, or whether some other mechanisms should be substituted;
  - (d) the methodology for surveys of pay trends in the private sector conducted by the Pay Survey and Research Unit, subject to advice under I(c) and having regard to the advice of the Pay Trend Survey Committee;
  - (e) matters relating to those benefits, other than salary, which the Commission advises as being relevant to the determination of the civil service remuneration package, including the introduction of new benefits or proposed changes to existing benefits;
  - (f) suitable procedures and machinery to enable staff associations and staff to discuss with management their views on matters within the terms of reference of the Commission;
  - (g) the circumstances in which it would be appropriate for the Commission itself to consider any issue, and how staff associations and management might present their views to the Commission in such circumstances; and
  - (h) such matters as the Chief Executive may refer to the Commission.

II. The Commission shall keep the matters within its terms of reference under continuing review, and recommend to the Chief Executive any necessary changes.

III. The Commission shall give due weight to any wider community interest, including financial and economic considerations, which in its view are relevant.

IV. The Commission shall give due weight to the need for good staff relations within the Civil Service, and in tendering its advice shall be free to make any recommendations which would contribute to this end.

V. In considering its recommendations and advice, the Commission shall not prejudice the 1968 Agreement between the Government of the Hong Kong Special Administrative Region and the Main Staff Associations (1998 Adapted Version).

VI. The staff associations making up the Staff Side of the Senior Civil Service Council and the Model Scale 1 Staff Consultative Council may jointly or individually refer matters relating to civil service salaries or conditions of service to the Commission.

VII. The heads of departments may refer matters relating to the structure, salaries or conditions of service of individual grades to the Commission.

VIII. The Commission shall not consider cases of individual officers.

IX. The Commission may wish to consider in the light of experience whether changes in its composition or role are desirable.

X. In carrying out its terms of reference, the Commission should ensure that adequate opportunities are provided for staff associations and management to express their views. The Commission may also receive views from other bodies which in its view have a direct interest.

**Membership of the Commission in 2019**

**Chairman**

Dr Pang Yiu-kai, GBS, JP

**Members**

Mrs Edith Chan Ngan Man-ling, MH

Mr Chan Tze-ching, BBS, JP

Ms Christina Maisenne Lee

Mr Lee Luen-fai, JP

Mr Lee Ming-kwai, GBS

Ms Angela Lee Wai-yin, BBS, JP

Ms Elaine Lo Yuen-man

Dr Miranda Lou Lai-wah

Mr Joseph Luc Ngai, JP

The Honourable Tony Tse Wai-chuen, BBS

## **Membership of the Commission in 2020**

### **Chairman**

Dr Pang Yiu-kai, GBS, JP

### **Members**

The Honourable Chan Chun-ying, JP

Mrs Edith Chan Ngan Man-ling, MH

Ms Christina Maisenne Lee

Mr Lee Luen-fai, JP

Mr Lee Ming-kwai, GBS

Ms Angela Lee Wai-yin, BBS, JP

Ms Elaine Lo Yuen-man

Dr Miranda Lou Lai-wah

Mr Joseph Luc Ngai, JP

Mrs Betty Yuen So Siu-mai, JP

## **Composition of the Pay Trend Survey Committee**

### **Members**

Two Members of the Standing Commission on Civil Service Salaries and Conditions of Service, one as Chairman and the other as Alternate Chairman

Up to two Representatives of the Standing Committee on Disciplined Services Salaries and Conditions of Service

Secretary General of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service

Two Representatives of the Civil Service Bureau

Three Staff Side Representatives of the Senior Civil Service Council

Three Staff Side Representatives of the Model Scale 1 Staff Consultative Council

Two Staff Side Representatives of the Police Force Council

Two Staff Side Representatives of the Disciplined Services Consultative Council

### **Observers**

Three Staff Side Representatives of the Senior Civil Service Council

Three Staff Side Representatives of the Model Scale 1 Staff Consultative Council

A Management Side and two Staff Side Representatives of the Police Force Council

Three Staff Side Representatives of the Disciplined Services Consultative Council



## **Summary of the 2019 Pay Trend Survey**

### **Introduction**

Pay Trend Surveys (PTSs) yield information on the general movements of pay in the private sector over a given period. They are not concerned with the comparison of pay levels for specific occupational groups. Prior to 1983, PTSs were undertaken by the then Pay Investigation Unit, under the auspices of a Steering Committee of the Senior Civil Service Council. The Pay Survey and Research Unit (PSRU) was established in December 1982 and the Pay Trend Survey Committee (PTSC) shortly after. The 2019 PTS was the 42<sup>nd</sup> of its kind.

### **Survey Period**

2. The survey covered a 12-month period from 2 April 2018 to 1 April 2019.

### **Surveyed Companies**

3. A total of 108 companies took part in the survey including 80 larger companies (with 100 or more employees) and 28 smaller companies (with 50 to 99 employees) in the ratio of 74 : 26. The pay data of their 146 116 employees were used in the calculation of the 2019 gross pay trend indicators (PTIs).

### **Data Collection**

4. Following the adoption of a technical refinement to the improved methodology for the PTSs (the methodology was endorsed by the Chief Executive-in-Council (CE-in-Council) in March 2007), data collection in the 2019 PTS was based on five salary bands by subdividing the middle and upper salary bands into two bands while keeping the lower salary band intact. The classification was as follows –

- |     |  |                                 |
|-----|--|---------------------------------|
| (a) | <u>Lower Salary Band</u><br>(below MPS <sup>1</sup> Point 10)                            | below \$22,865 per month        |
| (b) | <u>Middle Salary Band (I)</u><br>(MPS Points 10 to 23)                                   | \$22,865 – \$44,325 per month   |
| (c) | <u>Middle Salary Band (II)</u><br>(above MPS Point 23 to Point 33)                       | \$44,326 – \$70,090 per month   |
| (d) | <u>Upper Salary Band (I)</u><br>(above MPS Point 33 to Point 44)                         | \$70,091 – \$105,175 per month  |
| (e) | <u>Upper Salary Band (II)</u><br>(above MPS Point 44 to<br>GDS(O) <sup>1</sup> Point 39) | \$105,176 – \$140,560 per month |

5. Data collection commenced in February 2019 and ended in May 2019. Questionnaires with guidance notes were sent to participating companies for completion. The staff of the PSRU followed up by field visits or telephone discussions. The companies were asked to provide data on changes in basic salaries and additional payments other than those relating to fringe benefits.

6. Information collected for the survey was recorded in individual company statements, after their accuracy had been confirmed by the company concerned. Strict confidentiality was observed in the handling of company data which were made non-attributable in survey reports, so as to preserve the anonymity of the participating companies.

## **Survey Findings**

7. The PSRU analysed the company data in accordance with the approved methodology and presented its findings to the PTSC on 16 May 2019. Taking into account only those adjustments which related to the cost of living, general prosperity and company performance, general changes in market rates, in-scale increment and merit, the following pay

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<sup>1</sup> MPS denotes Master Pay Scale; GDS(O) denotes General Disciplined Services (Officer) Pay Scale.

adjustments had been made in the surveyed companies during the period from 2 April 2018 to 1 April 2019 –

(a)	Lower Salary Band (below \$22,865 per month)	+ 5.32%
(b)	Middle Salary Band (\$22,865 to \$70,090 per month)	+ 6.29%
(c)	Upper Salary Band (\$70,091 to \$140,560 per month)	+ 5.79%

8. The PTSC met on 23 May 2019 to verify and consider validating the 2019 PTS findings. The two representatives of the Standing Commission on Civil Service Salaries and Conditions of Service, the representative of the Standing Committee on Disciplined Services Salaries and Conditions of Service, the two representatives of the Civil Service Bureau, the Secretary General of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service, the three staff side representatives of the Model Scale 1 Staff Consultative Council, the two staff side representatives of the Senior Civil Service Council and the two staff side representatives of the Police Force Council validated the survey findings. In line with the established practice, the PTSC submitted its Report to the Government for consideration.

### **Pay Trend Indicators**

9. The findings of the PTSs were known as the gross PTIs. In accordance with the recommendations of the Committee of Inquiry into the 1988 Civil Service Pay Adjustment and Related Matters and pursuant to the decision of CE-in-Council in June 2019<sup>2</sup>, the Government, after deducting the values of civil service increments at their payroll cost, which were 1.16%, 1.03% and 1.04% respectively for the lower, middle and upper salary bands, arrived at the net PTIs for 2019-20 as follows –

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<sup>2</sup> In June 2019, CE-in-Council decided to put a cap on the PCIs to be deducted from 2019 onwards to ensure no further erosion of the future civil service pay adjustment by the rising PCIs. From 2019-20 onwards, the average PCI for each salary band from 1989-90 (i.e. the year when the PCI deduction arrangement was first introduced) to 2019-20, or the actual PCI for the particular salary band for the year, whichever is the lower, would be adopted for deriving the net PTI for that salary band.

(a)	Lower Salary Band	+ 4.16%
(b)	Middle Salary Band	+ 5.26%
(c)	Upper Salary Band	+ 4.75%

**Civil Service Pay Scales Relevant to the Commission’s Purview  
(with effect from 1 April 2019)**

<u>Master Pay Scale</u>		<u>Model Scale 1 Pay Scale</u>		<u>Craft Apprentice Pay Scale</u>	
<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>
49	135,470	13	17,870	4	12,175
48	130,760	12	17,515	3	11,160
47	126,220	11	17,155	2	10,090
46 (44B)	121,790	10	16,820	1	9,075
45 (44A)	117,580	9	16,490	0	8,560
44	110,170	8	16,175		
43	106,340	7	15,880		
42	101,965	6	15,560		
41	97,745	5	15,255		
40	93,710	4	14,945		
39	89,845	3	14,620		
38	85,870	2	14,330		
37	82,105	1	14,015		
36 (33C)	78,385	0	13,730		
35 (33B)	75,265				
34 (33A)	74,515				
33	73,775				
32	70,465				
31	67,295				
30	64,270				
29	61,415				
28	58,635				
27	55,995				
26	53,500				
25	51,095				
24	48,860				
23	46,655				
22	44,555				
21	42,545				
20	40,515				
19	38,595				
18	36,765				
17	35,040				
16	33,350				
15	31,750				
14	30,235				
13	28,780				
12	27,145				
11	25,545				
10	24,070				
9	22,725				
8	21,340				
7	20,035				
6	18,795				
5	17,675				
4	16,565				
3	15,560				
2	14,600				
1	13,735				
0	12,915				

<u>Training Pay Scale</u>		<u>Technician Apprentice Pay Scale</u>	
<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>
16	31,675	4	15,390
15	30,160	3	14,035
14	28,710	2	12,680
13	27,460	1	11,670
12	25,780	0	10,950
11	23,670		
10	21,735		
9	20,470		
8	19,210		
7	18,040		
6	16,945		
5	15,895		
4	14,935		
3	14,035		
2	13,150		
1	12,370		

**公務員薪俸及服務條件常務委員會**  
**Standing Commission on Civil Service Salaries and Conditions of Service**

本會檔號 Our Ref. : JS/SC6/PIU/10 Pt.20

尊函檔號 Your Ref. : CSBCR/PG/4-085/001/80

31 December 2019

Mr Law Chi-kong, Joshua, GBS, JP  
Secretary for the Civil Service  
9<sup>th</sup> Floor, West Wing  
Central Government Offices  
2 Tim Mei Avenue, Tamar  
Hong Kong

*Dear Joshua,*

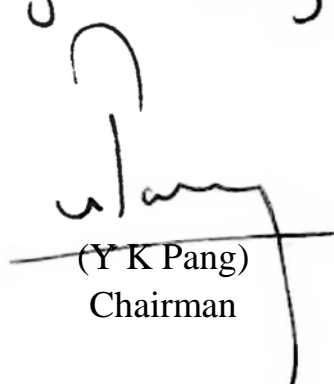
**Review of the Methodology of the Pay Trend Survey**

I am writing on behalf of the Standing Commission on Civil Service Salaries and Conditions of Service (Standing Commission) to offer our advice, under Clause I(d) of our terms of reference, on the methodology of the Pay Trend Survey (PTS).

The PTS is part of the civil service pay adjustment mechanism, and is conducted annually to ascertain the average year-on-year pay movements in the private sector. Since 2007, the conduct of the PTS has been based on the improved methodology as approved by the Chief Executive-in-Council in March 2007. The Pay Trend Survey Committee (PTSC), a tripartite forum comprising representatives from independent advisory bodies, the staff side and the Government, may propose changes to the PTS methodology for consideration by the Standing Commission. The Standing Commission will in turn tender its advice to the Government. In line with the established practice, the PTSC, as assisted by the Pay Survey and Research Unit, conducts a review of the PTS methodology after each round of PTS in preparation for the next and will put forth its recommendation in the form of a report to the Standing Commission for its consideration. Over the years, a number of refinements have been made to the PTS methodology in accordance with this well-established mechanism.

The PTSC has conducted the latest round of review, and recommended that the methodology of the 2019 PTS should continue to be adopted for the 2020 PTS. The key features of the 2020 PTS methodology are set out at **Annex**.

Having considered the PTSC's review report, we are pleased to inform you that the Standing Commission supports the PTSC's recommendation on the methodology for the 2020 PTS. The Standing Commission also wishes to place on record its appreciation of the dedication and professionalism of PTSC Members involved in this important review exercise.

Yours Sincerely,  
  
\_\_\_\_\_  
(Y K Pang)  
Chairman

Encl.

## **Review of the Methodology of the Pay Trend Survey conducted by the Pay Trend Survey Committee**

### **Key Features of the 2020 Pay Trend Survey Methodology**

#### **Overall**

The 2019 Pay Trend Survey (PTS) methodology should continue to be adopted for the 2020 PTS.

#### **Survey Field**

- (a) Ratio between larger and smaller companies
  - (i) The status quo will be maintained, i.e. continuing to include smaller companies in the survey field, and maintaining the ratio of 75 : 25 between the number of larger and smaller participating companies (with flexibility of a deviation of around plus or minus five percentage points).
  - (ii) The Pay Survey and Research Unit (PSRU) will, as far as possible, continue to increase the number of smaller companies, in particular those with employees approaching 99 in number, within the ratio and the range of deviation.
  
- (b) Distribution of companies in the survey field
  - (i) The current incremental approach will continue to be adopted in addressing the issues of over-representation or under-representation of the individual sector in the survey field.
  - (ii) The PSRU will make extra effort to identify more new companies for inclusion in the most under-represented sector as far as possible. Meanwhile, the PSRU will not actively identify companies to replace those that have withdrawn from the over-represented sectors, if any.



- (c) Guidelines for selection
  - (i) The status quo will be maintained, i.e. the existing practice of providing information on companies that have accumulated three or more industrial safety-related/occupational safety-related convictions in the past five years by the PSRU at the meeting to review the survey field (Survey Field Meeting) and the meeting prior to distribution of the Controller's Report (Pre-meeting) will be adopted. This arrangement should serve the purpose of facilitating Members of the Pay Trend Survey Committee (PTSC) to review whether any of these companies should no longer be regarded as good and steady employers.
  - (ii) The PSRU will continue to identify prospective companies that are typical and reputable in their respective fields for invitation to participate in the PTS.

#### **Components of pay adjustment – merit pay**

- (d) The PSRU will continue to maintain close liaison with the participating companies to ensure that they have a clear understanding of, among others, the definition of merit increase.
- (e) The PSRU will add a new item on special merit pay in the questionnaire and “Guidance Notes on Completion of Questionnaire” for the 2020 PTS, in order to facilitate the participating companies to provide, if possible, a breakdown of salary adjustments attributable to special merit pay.
- (f) The PSRU will ask companies to provide an explanation if they had implemented a pay freeze or pay cut but reported that they had taken into account merit increase in salary adjustment.

**Companies which had taken into account merit increase when awarding basic salary adjustment but reported the same average rate of adjustment for all employees**

- (g) The PSRU will continue to urge the participating companies to report the rate of salary adjustment for each salary band accurately.
- (h) The PSRU will continue to report to the PTSC, both at the Survey Field Meeting and at the Pre-meeting, those companies proposed to be included in the survey field / returned questionnaires which report merit increase as one of the component factors of adjustment in basic salary for their employees in the latest three consecutive survey years but awarded the same average rate of adjustment to employees of each salary band in those three consecutive years.

**Companies conducting an exercise on Internal Relativities/External Relativities (IR/ER)**

- (i) The PSRU will continue to monitor the trend of companies conducting IR/ER exercises and submit relevant information for PTSC Members' deliberation at the Pre-meeting.

**Other related issues**

***Increase the number of employees in the Upper Salary Band (UB)***

- (j) The status quo will be maintained, i.e. the upper limit of the basic pay of the employees as included in the UB be maintained at General Disciplined Services (Officer) Pay Scale Point 39 or equivalent.

***Number of companies excluded from the calculation of the Pay Trend Indicators (PTIs)***

- (k) The current timetable will continue to be adopted.

***Other forms of payment***

- (l) The status quo will be maintained, i.e. the PSRU will continue to request the surveyed companies to provide information on

any changes from additional payments to Long Term Incentives in the context of the 2020 PTS.

***Companies' refusal to rectify an omission and withdrawal from the survey***

- (m) The status quo will be maintained, i.e. the PSRU will report any doubtful cases at the Pre-meeting for PTSC Members' deliberation on the best solution, including the option of excluding the companies concerned when calculating the PTIs.

***Review of the annual pay adjustment mechanism***

- (n) The PTSC should continue to review the PTS methodology in the form of an annual exercise and submit the recommendations for the consideration of the Standing Commission on Civil Service Salaries and Conditions of Service, which will then tender its advice to the Government, according to the established practice.

