

食物環境衛生署
FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

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Mr LEE Lap-sun
Secretary General
Joint Secretariat for the Advisory Bodies on
Civil Service and Judicial Salaries and Conditions of Service
Room 701, 7th Floor, Tower Two
Lippo Centre, 89 Queensway
Hong Kong

Dear Mr Lee,

Review of Civil Service Pay Policy and System

I attach the views received from the executive staff of the General Administration Section of our Headquarters for your attention, please.

Yours sincerely,

[REDACTED]
[REDACTED]

for Director of Food and Environmental Hygiene

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**Summary of Staff's Comments on the
Consultation Paper on Review of Civil Service Pay Policy and System**

(In seriatim of the Consultation Paper)

Paragraph 19 on Pay Policies, Pay System and Pay Structure

- (a) Should there be a major overhaul of the civil service pay policy and system, should more emphasis be put on performance-pay, clean wage policy (i.e. paying "all cash" wages in lieu of allowances, housing and medical benefits, etc)?

Comments

- The performance-pay system will give rise to a flattering culture in the civil service as the pay adjustment is controlled by the appraising and countersigning officers. Hence the appraisal may not be a fair tool in determining pay adjustment as well as staff management (e.g. Promotion).
 - If a 360^o appraisal system is adopted for the sake of fairness, it will incur mammoth administrative cost and consume considerable man hours in completing the appraisals.
 - General Grades are posted to different departments. Staff in the same rank are usually assuming different kinds of duties depending on the posts concerned, their performance is difficult to compare and hence it is difficult to adopt a fair adjustment in their pay.
- (b) Should senior civil servants be subject to a pay policy which is different from that of the middle-ranking and junior ranks, placing more risk/award factors on the former?

Comment

Different system for different levels on the civil service may be adopted. The system should take into account the need to retain continuity and stability of the tier concerned.

- (c) Should the disciplined services' pay be treated differently from the rest of the civil service?

Comment

Agree.

- (d) Should we continue to conduct regular pay level, pay structure and pay trend surveys to ensure that civil service pay remains comparable with that of the private sector?

Comment

It is already in place and operating well.

- (e) Or should Government's affordability to pay be an over-riding consideration in pay adjustments?

Comment

It is an important factor but may not be the over-riding factor. The affordability of the government generally reflects the economic growth. When the private sector is able to increase pay of their employees, the government income (e.g. Taxes, revenues) will also increase and hence its financial affordability increases.

- (f) What features of the existing pay policy and system should be retained to ensure stability and morale of the civil service?

Comment

No comment.

Paragraph 20 on Replacing Fixed Pay Scales with Pay Ranges

- (a) Would the introduction of flexible pay ranges bring benefits in terms of better rewarding performance and enhancing a performance-oriented culture in the Hong Kong context?

Comment

Please see comments in 19(a) above.

- (b) Would flexibility in pay progression lead to potential divisiveness among civil servants?

Comment

If all civil servants are included, there will not be divisiveness.

- (c) Should flexible pay ranges be applied to the entire civil service, or only to senior civil servants, who typically have heavier management responsibilities?

Comment

Subsequent review of some existing regulations, e.g. application for outside work, must be loosened to tie in with the implementation of the flexible pay ranges.

- (d) Should flexible pay ranges apply both to civilian grades and the disciplined services?

Comment

No. Disciplinary services are under a different management system and should not be subject to flexible pay ranges to ensure its stability and integrity.

- (e) Would changes be required to the existing performance measurement and appraisal systems to support the introduction of flexible pay ranges?

Comment

No comment.

- (f) Would a performance management system directly linked to pay be the most effective way of nurturing a performance culture?

Comment

Please see comments in 19(a) above.

Paragraph 21 on Pay Adjustment System and Mechanism

- (a) Should the principle of broad comparability with the private sector continue to be adhered to?

Comment

Yes.

- (b) Is the existing pay adjustment system still regarded as fair by both civil servants and the public which they serve? Would another mechanism serve this purpose just as well, or better?

Comment

Yes.

- (c) Is there a need for changing or introducing more flexibility in the existing adjustment mechanism?

Comment

No.

- (d) Should fiscal constraints be an over-riding factor in determining pay adjustments?

Comment

Please see comments in 19(d) above.

- (e) Depending on whether, and to what extent, pay administration should be decentralised to departments, what would be the right balance for Hong Kong in terms of central control/guidance versus autonomy/flexibility for individual departments?

Comment

The pay administration should not be decentralized as it will lead to divisiveness among civil servants.

Paragraph 22 on Introducing Performance-based Rewards

- (a) Do we see the merit for Hong Kong to incorporate elements of performance pay in civil service salaries?

Comment

Implementation of performance pay is irrelevant to the merits of Hong Kong.

- (b) Apart from pay ranges which already have performance-related elements, do we need to consider other forms of performance-based rewards?

Comment

No.

- (c) Should team-based performance rewards be used and, if so, to which group (senior, middle, lower or all levels) should they apply and on what basis?

Comment

So far there are no successful examples in other countries. Fair systems for assessment are very difficult to be drawn up.

- (d) Should individual performance rewards be introduced and, if so, to which group (senior, middle, lower or all levels) should they apply and on what basis?

Comment

Various existing performance awards organized by departments and central government already serve similar purposes. The only difference is that the existing awards are in kind instead of in cash. The implication of awards in kind of cash should be carefully considered.

- (e) Some improvements to the staff appraisal system have been introduced in recent years. What further changes are needed to support the introduction of performance-related pay?

Comment

The changes in the appraisal system in recent years do not significantly improve staff management. No further changes are proposed.

Paragraph 23 on Simplification and Decentralisation of Pay Administration

- (a) Should consideration be given to introducing decentralisation of civil service pay administration for a city like Hong Kong?

Comment

Please see comments in 21(e) above.

- (b) If decentralisation of civil service pay administration is to be introduced, how much pay and grading responsibility should be devolved to departments?

Comment

Please see comments in 21(e) above.

- (c) Should some or all of the current general/common grades staff be departmentalised to facilitate department-based management?

Comment

Diverse views are received.

- Those who agree to the departmentalization consider it can retain expertise in the department and hence increase working efficiency.
- Those who disagree worry that –
 - ♦ There will be increased risk of corruption.
 - ♦ The staff concerned will have a narrow thinking due to lack of exposure in different departments and hence give rise to large resistance in case of any reform. The staff will lack of new initiatives for improvements and lost the drive for improvements.
 - ♦ The promotion prospects of the staff concerned are seriously affected. Staff morale will be affected and wastage will hence increase, which in turn affect continuity.
 - ♦ The flexibility in staff redeployment between departments will be seriously affected in case of large scale reform and re-organization.

- (d) If civil service pay administration is to be decentralised, there may be a rather long transition period. How can the standard of service and staff morale be maintained during that period?

Comment

Please see comments in 21(e) above.

- (e) In terms of simplification, is there scope to amalgamate existing grades within broader occupational categories? Is there scope for having flatter organisations with wider span of management control and fewer rank layers?

Comment

Some grades can be reviewed but all not, e.g., merging of CO and CA grades, WkI and WkII grades should be considered. Retention of some grades in the disciplinary force should be reviewed, e.g. Immigration Officers/ Assistants

- (f) Should a formal job evaluation system be introduced and, if so, should this be operated centrally or at department level?

Comment

The need for a formal job evaluation should be considered on a case by case basis according to the nature of each post. It should be operated at departmental level.