

## ITEM FOR FINANCE COMMITTEE

### 2007-08 CIVIL SERVICE PAY ADJUSTMENT

Members are invited to –

- (a) approve, with effect from 1 April 2007, an increase in pay –
  - (i) by 4.96% for civil servants on the directorate pay scales and in the upper salary band;
  - (ii) by 4.62% for civil servants in the middle and lower salary bands;
- (b) approve the same pay adjustments to Independent Commission Against Corruption staff;
- (c) approve the same pay adjustments to teaching and non-teaching staff of aided schools who are remunerated on the civil service pay scales; and those subvented sector staff who are paid according to the civil service pay scales;
- (d) approve the corresponding adjustment to the subventions of those subvented organisations with funding price-adjusted on the basis of formulae including a factor of civil service pay adjustment; and
- (e) note the financial implications of about \$5,290 million arising from items (a) to (d) above.

**PROBLEM**

The 2007 Pay Trend Survey (PTS) has revealed movements in private sector pay over the 12-month period from 2 April 2006 to 1 April 2007. We need to consider how these changes should be reflected in the pay for the civil service.

**PROPOSAL**

2. The Secretary for the Civil Service proposes that –
  - (a) civil service pay be increased, with effect from 1 April 2007<sup>1</sup> -
    - (i) by 4.96% for directorate officers and officers in the upper salary band;
    - (ii) by 4.62% for officers in the middle and lower salary bands;
  - (b) the same pay adjustments be made for Independent Commission Against Corruption (ICAC) staff;
  - (c) the same pay adjustments be made for teaching and non-teaching staff of aided schools who are remunerated on the civil service pay scales; and those subvented sector staff who are paid according to the civil service pay scales; and
  - (d) corresponding adjustment be made to the subventions of those subvented organisations with funding price-adjusted on the basis of formulae including a factor of civil service pay adjustment.
3. The consequential revised civil service pay scales and ICAC pay scale are set out at Enclosure 1.

Encl. 1

**/JUSTIFICATION .....**

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<sup>1</sup>

Since the 2007 PTS covered the 12-month period up to 1 April 2007, in line with the established practice, the increase is proposed to take retrospective effect from that date, except for a small number of civil servants as set out in Enclosure 2.

Encl. 2

## JUSTIFICATION

### Civil service pay policy

4. The Government's policy is to 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 is to be regarded as fair by both civil servants and the public they serve. For the latter, the Government accepts that comparability with the private sector should be an important factor in setting civil service pay.

5. The management of civil service pay comprises three main components: (a) the conduct of a pay level survey every six years to ascertain whether civil service pay is broadly comparable with private sector pay; (b) the conduct of a starting salaries survey every three years to ascertain whether the starting pay specified for different entry ranks in the civil service requiring different qualifications is comparable with private sector jobs requiring similar qualifications; and (c) the conduct of a PTS every year to ascertain the average year-on-year movements in private sector pay.

### The pay trend survey mechanism

6. In March 2007, the Chief Executive (CE)-in-Council decided that the methodology of the PTS should be improved by broadening the survey field to include both large companies (employing 100 or more staff) and smaller companies (employing 50-99 staff), and modifying the data consolidation method by applying a 75% : 25% weighting on the data collected from large and smaller companies to complement the broadening of the survey field. The improved methodology was adopted, for the first time, for the conduct of the 2007 PTS.

7. In accordance with the established mechanism, the findings of a PTS are collated and condensed into three gross pay trend indicators (PTIs), one each for the upper, middle and lower salary bands<sup>2</sup>. The payroll cost of increment incurred for serving civil servants in each salary band (expressed as a percentage of total salary payment) is then deducted from the relevant gross PTI to arrive at the net PTI.

/Upon .....

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<sup>2</sup> The three salary bands are –

- Upper : Above Master Pay Scale (MPS) 33 to General Disciplined Services (Officer) Pay Scale (GDS(O)) 38 or equivalent, i.e. \$43,941 to \$87,430;
- Middle: From MPS 10 to 33 or equivalent, i.e. \$14,330 to \$43,940; and
- Lower : Below MPS 10 or equivalent, i.e. below 14,330.

Upon the production of PTIs from a PTS, the CE-in-Council determines the specific pay adjustments, if any, for the civil service having regard to the net PTIs, the state of the economy, changes in the cost of living, the Government's fiscal position, the pay claims of the staff sides, and civil service morale.

### The results of the 2007 PTS

8. The 2007 PTS, covering the 12-month period from 2 April 2006, has produced the following net PTIs in respect of the three salary bands in the civil service –

Salary Band	Gross PTI (a)	Payroll cost of increment (b)	Net PTI (a) minus (b)
Upper	5.59%	0.63%	<b>4.96%</b>
Middle	5.24%	0.62%	<b>4.62%</b>
Lower	4.28%	0.37%	<b>3.91%</b>

### Pay adjustment rates

9. After consideration of the results of the 2007 PTS, the staff sides' pay claims and other relevant factors, the CE-in-Council decided on 12 June that the pay for civil servants in the upper salary band should be increased by 4.96%, i.e. the net PTI for this band, with effect from 1 April 2007. As the PTS did not cover the pay movements of the private sector counterparts to the directorate officers in the civil service, in line with the established practice, the CE-in-Council decided that the pay adjustment for directorate officers should be the same as that for the upper salary band officers. The CE-in-Council also decided that pay for civil servants in the middle salary band should be increased by 4.62%, i.e. the net PTI for this band. The CE-in-Council further decided to bring up the pay adjustment for civil servants in the lower salary band to that for those in the middle salary band, i.e. an increase of 4.62%, instead of the net PTI for the lower band (i.e. 3.91%)

### ICAC staff

10. Although ICAC staff are not civil servants, the Government's policy is to extend the civil service pay adjustment to the ICAC. We accordingly propose that the civil service pay adjustment rates for 2007-08 be applied to ICAC staff.

/Subvented .....

**Subvented sector**

11. The teaching and certain non-teaching staff of aided schools are remunerated on the civil service pay scales and hence their pay will be adjusted in the same manner as their civil service counterparts. For the non-school subvented sector, the Government is generally not involved in the determination of the pay or pay adjustment of staff working in subvented organisations. The pay for these staff is a matter between the organisations as the employers and their employees. That said, it has been our established practice that following a civil service pay adjustment, we would adjust generally the subventions for those organisations with funding price-adjusted on the basis of formulae including a factor of civil service pay adjustment. This arrangement covers the majority of organisations receiving recurrent subventions from the Government, including the Hospital Authority, social welfare non-governmental organisations, and institutions funded by the University Grants Committee. In line with the established practice, we propose to increase the personal emolument portion of the recurrent subventions to these organisations on the basis of the weighted average of pay increase for the civil service. It would be up to the subvented organisations to decide whether to increase the pay of their staff using the additional subventions and if so the extent of such increase.

**FINANCIAL IMPLICATIONS**

12. The annual financial implications for the civil service, ICAC, auxiliaries<sup>3</sup> and the subvented sector arising from the proposed pay increase are as follows –

	<b>\$ million</b>
(a) Civil service	2,406 <sup>4</sup>
(b) ICAC	21
(c) Subvented organizations	2,855
(d) Auxiliaries	8
	5,290

/13. ....

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<sup>3</sup> In keeping with established practice, we will make corresponding adjustment to the pay of members of the auxiliaries following the civil service pay adjustment in 2007. Such adjustment will be approved by the Secretary for Financial Services and the Treasury under delegated authority.

<sup>4</sup> The pay adjustment will also lead to an increase in pension payments for those who retire during the year, estimated at \$42 million in 2007-08.

13. We have not made provisions in the relevant Heads of Expenditure for the proposed pay adjustment in the 2007-08 Estimates. It is not possible to quantify at this stage the exact amount of supplementary provision needed under each Head of Expenditure. We estimate that the total supplementary provision required for the civil service, ICAC, auxiliaries and the subvented sector would likely amount to some \$5,290 million. Taking into account the savings anticipated under various Heads of Expenditure and the provision under Head 106 Miscellaneous services, the \$218.3 billion appropriation for fiscal year 2007-08 should be able to absorb the additional expenditure arising from the pay adjustment. Subject to Members' approval of the proposal, we shall approve under delegated authority the supplementary provision required under individual Heads of Expenditure.

### **PUBLIC CONSULTATION**

14. We briefed the Legislative Council (LegCo) Panel on Public Service on the 2007-08 civil service pay adjustment exercise at its meeting held on 25 June 2007 (see the LegCo briefs issued on 5 and 12 June 2007).

### **BACKGROUND**

15. The annual PTS is commissioned by the tripartite PTS Committee, comprising staff sides representatives, management representatives, and members of the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) and the Standing Committee on Disciplined Services Salaries and Conditions of Service. The PTS Committee is chaired by a member of the Standing Commission. Under the supervision of the PTS Committee, the annual PTS is conducted by the Joint Secretariat for Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service. The 2007 PTS collected pay adjustment data on 144 901 employees in 91 companies (made up of 72 large and 19 smaller companies) in the private sector.

**Directorate Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b> \$	<b>(W.e.f. 1.4.07)</b> \$
<b>10</b>	216,650	227,400
<b>9</b>	204,800	214,950
<b>8</b>	181,050	190,050
<b>7</b>	175,600	184,300
<b>6</b>	162,650	170,700
<b>5</b>	154,150	161,800
	(149,600)	(157,000)
<b>4</b>	145,150	152,350
	(135,550)	(142,250)
	(131,700)	(138,250)
<b>3</b>	127,900	134,250
	(116,800)	(122,600)
	(113,400)	(119,000)
<b>2</b>	110,000	115,450
	(98,300)	(103,200)
	(95,350)	(100,100)
<b>1</b>	92,650	97,250

Note: Figures in brackets represent increments.

**Directorate (Legal) Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b> <b>\$</b>	<b>(W.e.f. 1.4.07)</b> <b>\$</b>
<b>7</b>	193,050	202,650
<b>6</b>	162,650	170,700
<b>5</b>	154,150	161,800
	(149,600)	(157,000)
<b>4</b>	145,150	152,350
	(135,550)	(142,250)
	(131,700)	(138,250)
<b>3</b>	127,900	134,250
	(116,800)	(122,600)
	(113,400)	(119,000)
<b>2</b>	110,000	115,450
	(98,300)	(103,200)
	(95,350)	(100,100)
<b>1</b>	92,650	97,250

Note: Figures in brackets represent increments.



### Master Pay Scale

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>49</b>	83,105	87,225
<b>48</b>	80,220	84,200
<b>47</b>	77,435	81,275
<b>46 (44B)</b>	74,725	78,430
<b>45 (44A)</b>	72,135	75,715
<b>44</b>	69,615	73,070
<b>43</b>	67,190	70,525
<b>42</b>	64,425	67,620
<b>41</b>	61,765	64,830
<b>40</b>	59,210	62,145
<b>39</b>	56,765	59,580
<b>38</b>	54,255	56,945
<b>37</b>	51,870	54,445
<b>36 (33C)</b>	49,535	51,990
<b>35 (33B)</b>	47,335	49,685
<b>34 (33A)</b>	45,240	47,485
<b>33</b>	43,940	45,970
<b>32</b>	41,965	43,905
<b>31</b>	40,085	41,935
<b>30</b>	38,285	40,055
<b>29</b>	36,575	38,265
<b>28</b>	34,920	36,535
<b>27</b>	33,355	34,895
<b>26</b>	31,860	33,330
<b>25</b>	30,430	31,835
<b>24</b>	29,100	30,445
<b>23</b>	27,790	29,075
<b>22</b>	26,540	27,765
<b>21</b>	25,340	26,510
<b>20</b>	24,135	25,250
<b>19</b>	22,990	24,050
<b>18</b>	21,900	22,910
<b>17</b>	20,865	21,830
<b>16</b>	19,860	20,780
<b>15</b>	18,915	19,790
<b>14</b>	18,010	18,840
<b>13</b>	17,145	17,935
<b>12</b>	16,165	16,910

<b>11</b>	15,215	15,920
<b>10</b>	14,330	14,990
<b>9</b>	13,515	14,140
<b>8</b>	12,690	13,280
<b>7</b>	11,905	12,460
<b>6</b>	11,170	11,690
<b>5</b>	10,505	10,995
<b>4</b>	9,845	10,300
<b>3</b>	9,245	9,675
<b>2</b>	8,675	9,080
<b>1</b>	8,150	8,530
<b>0</b>	7,674	8,030

### Model Scale I Pay Scale

<b>Point</b>	<b>(As at 31.3.07)</b> <b>\$</b>	<b>(W.e.f. 1.4.07)</b> <b>\$</b>
<b>13</b>	10,615	11,110
<b>12</b>	10,405	10,890
<b>11</b>	10,190	10,665
<b>10</b>	9,995	10,460
<b>9</b>	9,800	10,255
<b>8</b>	9,615	10,060
<b>7</b>	9,430	9,870
<b>6</b>	9,245	9,675
<b>5</b>	9,059	9,480
<b>4</b>	8,876	9,290
<b>3</b>	8,693	9,095
<b>2</b>	8,505	8,900
<b>1</b>	8,322	8,710
<b>0</b>	8,144	8,525

**General Disciplined Services (Commander) Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b> <b>\$</b>	<b>(W.e.f. 1.4.07)</b> <b>\$</b>
<b>4</b>	162,650	170,700
	(135,550)	(142,250)
	(131,700)	(138,250)
<b>3</b>	127,900	134,250
	(116,800)	(122,600)
	(113,400)	(119,000)
<b>2</b>	110,000	115,450
	(101,400)	(106,450)
	(98,300)	(103,200)
<b>1</b>	95,350	100,100

Note: Figures in brackets represent increments.

**General Disciplined Services (Officer) Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>38</b>	87,430	91,765
<b>37</b>	84,040	88,210
<b>36</b>	80,660	84,660
<b>35</b>	77,645	81,495
<b>34</b>	74,765	78,475
<b>33</b>	72,090	75,665
<b>32</b>	69,575	73,025
<b>31</b>	67,085	70,410
<b>30</b>	64,655	67,860
<b>29</b>	62,330	65,420
<b>28</b>	60,035	63,015
<b>27</b>	57,885	60,755
<b>26</b>	55,770	58,535
<b>25</b>	53,675	56,335
<b>24</b>	51,775	54,345
<b>23</b>	49,900	52,375
<b>22</b>	48,080	50,465
<b>21</b>	46,470	48,775
<b>20</b>	44,965	47,195
<b>19</b>	43,865	45,890
<b>18</b>	42,290	44,245
<b>17</b>	40,545	42,420
<b>16</b>	38,805	40,600
<b>15</b>	37,050	38,760
<b>14</b>	35,310	36,940
<b>13</b>	33,615	35,170
<b>12</b>	31,925	33,400
<b>11</b>	30,370	31,775
<b>10</b>	28,910	30,245
<b>9</b>	27,490	28,760
<b>8</b>	26,060	27,265
<b>7</b>	24,650	25,790
<b>6</b>	23,260	24,335
<b>5</b>	21,830	22,840
<b>4</b>	20,600	21,550
<b>3</b>	19,630	20,535
<b>2</b>	18,650	19,510
<b>1</b>	17,850	18,675
<b>1a</b>	17,087	17,875
<b>1b</b>	16,350	17,105
<b>1c</b>	15,654	16,375
<b>1d</b>	14,980	15,670

**General Disciplined Services (Rank and File) Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>27</b>	26,660	27,890
<b>26</b>	25,895	27,090
<b>25</b>	25,115	26,275
<b>24</b>	24,395	25,520
<b>23</b>	23,770	24,870
<b>22</b>	23,110	24,180
<b>21</b>	22,475	23,515
<b>20</b>	21,885	22,895
<b>19</b>	21,300	22,285
<b>18</b>	20,715	21,670
<b>17</b>	20,105	21,035
<b>16</b>	19,555	20,460
<b>15</b>	19,010	19,890
<b>14</b>	18,465	19,320
<b>13</b>	17,925	18,755
<b>12</b>	17,385	18,190
<b>11</b>	16,850	17,630
<b>10</b>	16,320	17,075
<b>9</b>	15,810	16,540
<b>8</b>	15,280	15,985
<b>7</b>	14,755	15,435
<b>6</b>	14,290	14,955
<b>5</b>	13,705	14,340
<b>4</b>	13,325	13,945
<b>3</b>	12,955	13,555
<b>2</b>	12,575	13,160
<b>1</b>	12,230	12,800
<b>1a</b>	11,894	12,445

### Police Pay Scale

<b>Point</b>	<b>(As at 31.3.07)</b> <b>\$</b>	<b>(W.e.f. 1.4.07)</b> <b>\$</b>
<b>59</b>	181,050	190,050
	(154,150)	(161,800)
<b>58</b>	149,600	157,000
	(135,550)	(142,250)
	(131,700)	(138,250)
<b>57</b>	127,900	134,250
	(116,800)	(122,600)
	(113,400)	(119,000)
<b>56</b>	110,000	115,450
	(101,400)	(106,450)
	(98,300)	(103,200)
<b>55</b>	95,350	100,100
<b>54</b>	87,430	91,765
<b>53</b>	84,040	88,210
<b>52</b>	80,660	84,660
<b>51</b>	77,645	81,495
<b>50</b>	74,765	78,475
<b>49</b>	72,090	75,665
<b>48</b>	69,575	73,025
<b>47</b>	67,085	70,410
<b>46</b>	64,655	67,860
<b>45</b>	62,330	65,420
<b>44</b>	60,035	63,015
<b>43</b>	57,885	60,755
<b>42</b>	55,770	58,535
<b>41</b>	53,675	56,335
<b>40</b>	51,775	54,345
<b>39</b>	49,900	52,375
<b>38</b>	48,080	50,465
<b>37</b>	46,470	48,775
<b>36</b>	44,965	47,195
<b>35</b>	43,865	45,890
<b>34</b>	42,290	44,245

<b>33</b>	40,545	42,420
<b>32</b>	38,840	40,635
<b>31</b>	37,130	38,845
<b>30</b>	35,465	37,105
<b>29</b>	33,830	35,395
<b>28</b>	32,220	33,710
<b>27</b>	30,610	32,025
<b>26</b>	29,280	30,635
<b>25</b>	28,405	29,715
<b>24</b>	27,570	28,845
<b>23</b>	26,745	27,980
<b>22</b>	26,135	27,340
<b>21</b>	25,480	26,655
<b>20</b>	24,810	25,955
<b>19</b>	24,180	25,295
<b>18</b>	23,510	24,595
<b>17</b>	22,850	23,905
<b>16</b>	22,220	23,245
<b>15</b>	21,610	22,610
<b>14</b>	20,995	21,965
<b>13</b>	20,400	21,340
<b>12</b>	19,825	20,740
<b>11</b>	19,340	20,235
<b>10</b>	18,690	19,555
<b>9</b>	18,130	18,970
<b>8</b>	17,575	18,385
<b>7</b>	17,070	17,860
<b>6</b>	16,550	17,315
<b>5</b>	16,065	16,805
<b>4</b>	15,595	16,315
<b>3</b>	15,120	15,820
<b>2</b>	14,670	15,350
<b>1</b>	14,240	14,900
<b>1a</b>	13,823	14,465

Note: Figures in brackets represent increments.



**Independent Commission Against Corruption Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>48</b>	(154,150) 149,600	(161,800) 157,000
<b>47</b>	(135,550) (131,700) 127,900	(142,250) (138,250) 134,250
<b>46</b>	(116,800) (113,400) 110,000	(122,600) (119,000) 115,450
<b>45</b>	(101,400) (98,300) 95,350	(106,450) (103,200) 100,100
<b>44</b>	87,430	91,765
<b>43</b>	84,040	88,210
<b>42</b>	80,660	84,660
<b>41</b>	77,645	81,495
<b>40</b>	74,765	78,475
<b>39</b>	72,030	75,605
<b>38</b>	69,530	72,980
<b>37</b>	67,020	70,345
<b>36</b>	64,585	67,790
<b>35</b>	62,055	65,135
<b>34</b>	59,745	62,710
<b>33</b>	57,410	60,260
<b>32</b>	55,105	57,840
<b>31</b>	52,770	55,385
<b>30</b>	50,455	52,960
<b>29</b>	48,165	50,555
<b>28</b>	45,855	48,130
<b>27</b>	43,705	45,725
<b>26</b>	42,380	44,340
<b>25</b>	40,435	42,305
<b>24</b>	38,435	40,210
<b>23</b>	36,465	38,150
<b>22</b>	34,490	36,085

<b>21</b>	32,510	34,010
<b>20</b>	30,995	32,425
<b>19</b>	29,490	30,850
<b>18</b>	28,235	29,540
<b>17</b>	26,990	28,235
<b>16</b>	25,735	26,925
<b>15</b>	24,795	25,940
<b>14</b>	24,480	25,610
<b>13</b>	23,842	24,945
<b>12</b>	23,195	24,265
<b>11</b>	21,950	22,965
<b>10</b>	20,715	21,670
<b>9</b>	19,560	20,465
<b>8</b>	18,435	19,285
<b>7</b>	17,295	18,095
<b>6</b>	16,095	16,840
<b>5</b>	14,895	15,585
<b>4</b>	13,705	14,340
<b>3</b>	13,203	13,815
<b>2</b>	12,700	13,290
<b>1</b>	12,242	12,810

Note: Figures in brackets represent increments.

### Training Pay Scale

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>16</b>	18,870	19,740
<b>15</b>	17,965	18,795
<b>14</b>	17,105	17,895
<b>13</b>	16,355	17,110
<b>12</b>	15,350	16,060
<b>11</b>	14,070	14,725
<b>10</b>	12,920	13,520
<b>9</b>	12,165	12,730
<b>8</b>	11,420	11,950
<b>7</b>	10,720	11,220
<b>6</b>	10,070	10,540
<b>5</b>	9,445	9,885
<b>4</b>	8,870	9,280
<b>3</b>	8,335	8,725
<b>2</b>	7,810	8,175
<b>1</b>	7,340	7,680

### Craft Apprentice Pay Scale

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>4</b>	7,230	7,565
<b>3</b>	6,620	6,930
<b>2</b>	5,985	6,265
<b>1</b>	5,385	5,635
<b>0</b>	5,072	5,310

**Technician Apprentice Pay Scale**

<b>Point</b>	<b>(As at 31.3.07)</b>	<b>(W.e.f. 1.4.07)</b>
	<b>\$</b>	<b>\$</b>
<b>4</b>	9,145	9,570
<b>3</b>	8,335	8,725
<b>2</b>	7,535	7,885
<b>1</b>	6,930	7,255
<b>0</b>	6,500	6,805

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**Effective Date for the 2007-08 Pay Adjustment in respect of  
Civil Servants Remunerated on the Reference Pay Scales**

For civil servants remunerated on the reference pay scales on or after 1 April 2007, the 2007-08 pay adjustments will apply to them on –

- (a) the date when the new starting salaries take effect, or
- (b) the date when they migrate to the “standard” pay scales upon the award of the first annual increment,

whichever is earlier.

2. The above arrangement is necessary in view of the delinking arrangement implemented since 2000. Under the delinking arrangement, the reference pay scales will not be adjusted in accordance with the annual civil service pay adjustment based on the results of a pay trend survey. Instead, the reference pay scales will be adjusted either upon a subsequent revision of the starting salaries or because of exceptional circumstances (such as the civil service-wide pay reductions in 2002, 2004 and 2005).

3. In accordance with the decision of the Chief Executive-in-Council made on 15 May 2007, the delinking arrangement will be discontinued upon the implementation of the new starting salaries. The reference civil service pay scales will be abolished on the date when the new starting salaries take effect and there will be no adjustment to these pay scales before their abolition.

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