#### For information

#### LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

#### Conditioned Hours of Work of the Civil Service - Civilian Grades

At the meeting of the Legislative Council Panel on Public Service on 15 November 2010, Members requested the Administration to, with reference to the papers and reports of relevant advisory bodies on civil service salaries and conditions of service, provide details on the changes in the conditioned hours of work of civil servants since the 1960s. Moreover, at the Panel meeting on 17 January 2011, some Members considered it unfair to have different arrangements of conditioned hours of work for civil servants (including civilian and disciplined services staff) and requested a comprehensive review on the situation in order to set standard conditioned hours of work across the civil service, preferably be fixed at 44 hours per week to facilitate the implementation of the five-day week initiative. This paper aims at providing information on the conditioned hours of work of civilian grades and the implementation of the five-day week initiative in the civil service.

#### **Conditioned hours of work**

- 2. "Conditioned hours of work" means hours of duty which salary is calculated to cover and the hours which must be worked before overtime work is counted for. Conditioned hours of work are expressed as gross (i.e. including meal breaks) or net (i.e. excluding meal breaks). In general, conditioned hours of work vary to suit the nature and operational requirements of different grades in the civil service (including civilian and disciplined services staff). In the employment contracts between the Administration and the civil servants, the terms of employment (including conditioned hours of work of civil servants) are set out in detail in the Memorandum on Conditions of Service of the Government of the Hong Kong Special Administrative Region. In determining the pay of various civil service grades, the Administration has already considered their conditioned hours of work.
- 3. Under the existing arrangement, the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) is responsible for advising and making recommendations to the Chief Executive on matters concerning the pay and conditions of service of non-directorate civilian grades. The Standing Commission had also advised the Administration on proposed changes to the conditioned hours of work of individual grades.

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4. Making reference to the discussion of the Standing Commission and its predecessor (i.e. the Salaries Commission) concerning the conditioned hours of work of civilian grades staff, we set out below the salient points extracted from the relevant reports and the changes in the conditioned hours of work for individual civilian grades.

### **Salaries Commission Report (1959)**

- 5. The conditioned hours of work of civil servants had not been specifically discussed in the report. The Standing Commission had however pointed out in its deliberation on the payment of overtime allowance that the calculation of overtime work was based on a working week of 48 hours. It was stated in the report that outdoor staff worked six days a week and eight hours a day whereas indoor staff worked 44 hours per week. Therefore, indoor staff had to work four more hours a week before they were eligible for overtime allowance.
- 6. The above information shows that there was no standard conditioned hours of work across the civil service in the early years of 1950s.

# **Standing Commission Report (1971)**

- 7. The Standing Commission proposed the following three basic principles concerning hours of work and working week
  - (a) the entire time of civil servants is at the disposal of the Government;
  - (b) in changing the hours of work, the convenience of the public must be considered as more important than that of civil servants; and
  - (c) any proposed reduction in the hours of work and working week by the Government should be seen as a conscious and deliberate act of policy, and be complemented by legislation and other measures to influence the private sector in the same direction.
- 8. The report also specified that the conditioned hours of work for indoor staff who worked five and a half days per week under an alternate Saturday-off system were 44 hours gross (39 hours net) per week. As for those outdoor staff who worked six days per week, their conditioned hours of work were 48 hours net per week.

### **Standing Commission Report No.7 (1982)**

9. The report specified that conditioned hours of work of civil servants were the hours of duty which salary was calculated to cover and, if the staff were eligible for overtime allowance, the hours which had to be worked before overtime work was counted for and overtime allowance was payable. The majority of civil servants at that time worked either 48 hours net (i.e. excluding meal breaks) or 44 hours gross (i.e. including a one-hour meal break in each eight-hour day) per week.

### **Standing Commission Report No. 16 (1986)**

- 10. In 1986, the Standing Commission conducted a pay level survey covering all non-directorate civil servants to assess whether the total packages (including both salary and fringe benefits) of those civil servants at that time were broadly in line with those of employees in the private sector doing comparable jobs. When considering whether hours of work and leave should be included in the calculation of the total packages, the Standing Commission pointed out in the report that the conditioned hours of work in the Government (i.e. the hours of work covered by the basic salary) at that time varied according to the salary groups
  - (a) most staff on the Master Pay Scale (MPS) worked 44 hours gross per week (including a one-hour meal break in each eighthour day), which was equivalent to 39 hours net (excluding meal breaks); and
  - (b) staff on the Model Scale I (MOD 1) worked 48 hours net per week.

# **Standing Commission Report No.17 (1987)**

11. The report stated that in view of an apparent discrepancy in the conditioned hours of work of the MOD 1 staff and those remunerated on the MPS, the Standing Commission had asked the Administration to review the conditioned hours of work of MOD 1 staff in 1983. The findings of the review established that the conditioned hours of work of civil servants on MOD 1 and MPS were broadly in line with those of the comparable posts in the private sector. In the light of the review findings, the Administration recommended that the number of working hours of MOD 1 staff be maintained at that time. Having discussed the review findings in 1984, the Standing Commission agreed to the Administration's recommendation and decided to conduct a review again in about two years' time to take account of any changes that might have occurred in the private sector in the interim.

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12. In 1986, the Administration completed another review on the working hours of MOD 1 staff and asked the Standing Commission to give their views on a proposed reduction of the conditioned hours of work of MOD 1 staff and other civilian grades staff whose conditioned hours of work were 48 hours net per week at that time to 45 hours net per week. Having regard to the 1986 Pay Level Survey being carried out at that time, the findings of which might reflect whether the total packages (conditioned hours of work being one of the considerations) of MOD 1 staff were broadly in line with those of their counterparts in the private sector, the Standing Commission decided that further consideration of the proposal should be deferred until the findings of the survey were made known.

### **Standing Commission Report No. 20 (1988)**

- 13. The 1986 Pay Level Survey conducted by the Standing Commission showed that at the average job size, the MOD 1 staff total package practice line was about 12% below the upper quartile and 2.5% below average, in terms of value of total packages. Having considered the results of the survey, the Administration sought the views of the Standing Commission on whether it should explore ways to reduce the conditioned hours of work of MOD 1 staff from the prevailing 48 hours net to 45 hours net per week, with progressive reduction ultimately to 42 hours net per week, or to amalgamate MOD 1 Pay Scale with the MPS.
- 14. The Standing Commission concluded that an amalgamation of MOD 1 Pay Scale with the MPS should not be pursued in view of the inordinate costs of the proposal. Furthermore, the amalgamation would enhance the total package for MOD 1 staff beyond the level of that of their counterparts in the private sector and would be a departure from the practice in the private sector. Therefore, the Standing Commission had explored other options to bring the value of the MOD 1 total package in line with the upper quartile of the corresponding band in the private sector.
- 15. Having regard to the average conditioned hours of work per week for the MOD 1-type employees in the private sector, as well as the financial implications involved in overtime payments, additional posts and the proposed reduction of conditioned hours of work for some MPS staff, the Standing Commission considered that reducing the conditioned hours of work of MOD 1 staff to 45 hours net per week, which had the effect of increasing the value of the total package by about 5-6%, was both practicable and appropriate. The Standing Commission also considered that, upon the implementation of the reduction of conditioned hours of work, the departments concerned should carry out value for money studies with a view to minimising the requirements for overtime payments and the creation of additional posts. The Standing

Commission also recommended that for civilian grades staff on the MPS whose conditioned hours of work at that time were more than 45 hours net per week, their conditioned hours of work be reduced to 45 hours net per week correspondingly.

- 16. The Standing Commission was aware that a further reduction of the conditioned hours of work to 42 hours net per week would result in a further 5-6% increase in the benefits of MOD 1 staff. However, having regard to the fact that this would result in the conditioned hours of work of MOD 1 staff being less than that of their counterparts in the private sector, and in order to offer some cash benefits to this group of staff, the Standing Commission proposed increasing the pay of MOD 1 staff by 3% and adding one point to the top of the MOD 1 Pay Scale in order to increase their benefits by another 5-6%. Upon the implementation of the three measures (namely the 3% pay rise, addition of one point to the top of the MOD 1 Pay Scale, and reduction of the conditioned hours of work from 48 hours net to 45 hours net per week), the total packages for MOD 1 staff would be broadly in line with the upper quartile of the comparable salary band in the private sector.
- 17. With effect from 1 March 1988, the Administration reduced the conditioned hours of work of MOD 1 staff and civilian grades staff on the MPS whose conditioned hours of work exceeded 45 hours net per week to 45 hours net per week.

# **Standing Commission Report No. 26 (1990)**

18. The Standing Commission conducted an overall review of the salary structure of all the non-Directorate civil service grades other than the disciplined services and the judicial service. Regarding the conditioned hours of work, the Standing Commission noted that there was no uniform pattern of the conditioned hours of work for the civil service. While the majority of staff were conditioned to work 44 hours gross (including meal breaks) per week, a considerable number had other patterns of conditioned hours of work. The Standing Commission did not support harmonising the conditioned hours of work in the civil service, as the conditioned hours of work for a particular grade should have regard to that grade's operational requirements and the The Standing Commission did not comparability with the private sector. propose any change to the conditioned hours of work of the non-Directorate civil service grades in the review. When recommending amendments to the pay scales of individual grades, the Standing Commission had taken into account a host of factors, including the work nature and requirements, as well as the work hour pattern of the grade.

#### **Standing Commission Report No. 40 (2002)**

- 19. In 1996, the Police Force proposed to reduce the conditioned hours of work of Police Officers (disciplined services staff) and Traffic Wardens (civilian staff) from 51 hours gross to 48 hours gross per week. With the approval of the Civil Service Bureau, a trial scheme was launched by the Police Force in 1997, on the understanding that the proposal would be cost-neutral, requiring no additional resources, and that the service to the public would not be adversely affected. During the trial period, only work undertaken over and beyond the conditioned hours of 51 hours gross per week would be counted for overtime compensation.
- 20. In 2001, the Administration sought the Standing Commission's advice on whether the proposed reduction of conditioned hours of work of the Traffic Warden grade should be formalised without a change to its pay scales. The Standing Commission was also invited to advise on the implications of the proposal for other civilian grades.
- 21. The Standing Commission noted that the Traffic Warden grade was required to perform law enforcement duties. Members of the grade were subject to controls under the Traffic Warden (Discipline) Regulations and were required to wear uniform on duty. They were required to work irregular hours and their conditioned hours of work of 51 hours gross per week were the same as those for Constables and Sergeants in the Police Force with whom they worked closely. The Standing Commission saw no objection to formalising the proposal since the Administration was satisfied that the reduction in conditioned hours of work would not reduce services to the public and that this new arrangement could be implemented without additional manpower or financial resources.
- 22. On the question of pay implications, the Standing Commission pointed out that conditioned hours of work were one of the important factors for determining the pay of civil service grades. The Standing Commission noted that the pay scales of the Traffic Warden grade were adjusted upwards by three MPS points in the 1989 Salary Structure Review in recognition of the unpleasant and dangerous elements of the Traffic Wardens' job, the requirement to work irregular hours and the longer conditioned hours of work, and increasing recruitment and retention problems confronting the grade at that time. considering the proposed reduction of conditioned hours of work, the Standing Commission noted the Administration's view that the implication on pay arising from the reduction in conditioned hours of work of the Traffic Warden grade would be minimal. The Standing Commission also noted that the precedent case of operational firemen whose conditioned hours of work were reduced in 1990 from 60 hours gross to 54 hours gross per week without any reduction in

pay. The Standing Commission appreciated the close working relationship between Traffic Wardens and Police Officers, which was applicable only to the Traffic Warden grade and rarely found in any other civilian grade, and agreed with the Administration that it would be a fair management practice to extend the same treatment to both grades. The Standing Commission therefore supported the Administration's proposal to reduce the conditioned hours of work of Traffic Wardens without changing their pay scales. The Standing Commission, however, urged the Administration to make all concerned staff aware that the case of the Traffic Warden grade would not be applied as a general rule to other civilian grades.

23. With effect from 10 June 2001, the Administration reduced the conditioned hours of work of Traffic Warden grade from 51 hours gross to 48 hours gross per week without a change to their pay scales.

### **Implementation of Five-Day Week**

- 24. The Administration decided to implement the five-day week initiative in 2006 under the primary consideration of maintaining the overall level and efficiency of government services and subject to the following basic principles
  - (a) no additional staffing resources;
  - (b) no reduction in the conditioned hours of service of individual staff;
  - (c) no reduction in emergency services; and
  - (d) continued provision of some essential counter services on Saturdays.
- As at 31 December 2010, around 105 800 (or around 70% of the total number¹) civil servants were working on a five-day week work pattern in compliance with the above principles. Civil servants who could not work on a five-day week work mode were mainly due to the need to maintain the overall level and efficiency of government services, e.g. the service of the Police Force, or because they were engaged in the provision of services that continue to operate on Saturdays/Sundays, such as social welfare services, immigration counter services, cultural services, postal services, environmental hygiene services, law enforcement, passenger/cargo clearance, and penal operations, etc. We will continue to encourage departments to explore migrating more staff to work five days a week subject to the basic principles above.

Civil Service Bureau September 2011

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Excluding civil servants working in government schools who follow the school calendar and those working in the Judiciary, Hospital Authority, Vocational Training Council, Hong Kong Monetary Authority, etc.