

LEGISLATIVE COUNCIL BRIEF

2012-13 CIVIL SERVICE PAY ADJUSTMENT

INTRODUCTION

At the meeting of the Executive Council on 12 June 2012, the Council ADVISED and the Chief Executive ORDERED that civil service pay for 2012-13 should be adjusted in accordance with the pay offers made to the staff sides of the four central consultative councils¹, viz. with effect from 1 April 2012 –

- (a) pay for civil servants in the upper salary band and the directorate should be increased by **5.26%** (equal to the net Pay Trend Indicator (PTI) for the upper salary band);
- (b) pay for civil servants in the middle salary band should be increased by **5.80%** (equal to the net PTI for the middle salary band); and
- (c) pay for civil servants in the lower salary band should be increased by **5.80%** (equal to the net PTI for the middle salary band), by invoking the “bring-up” arrangement.

JUSTIFICATIONS

(A) Staff Sides’ Responses to the Pay Offers

2. Pursuant to the decision of the Chief Executive-in-Council (CE-in-Council) on 5 June 2012, the Administration has put the pay offers in paragraph 1 above to the staff sides of the four central consultative councils. All the staff sides, except the Hong Kong Chinese Civil Servants’ Association

1 The four central consultative councils are the Senior Civil Service Council, the Police Force Council, the Disciplined Services Consultative Council and the Model Scale 1 Staff Consultative Council.

(HKCCSA) of the Senior Civil Service Council², have accepted the pay offers. Their responses are at Annexes A to D.

3. The HKCCSA reiterates its claim of a pay increase of 5.8% (i.e. the pay offers for the middle and lower salary bands) for the whole civil service. It has submitted that the pay offer for civil servants in the upper salary band fails to catch up with inflation and will not allow these civil servants to share the fruit of economic growth. It has also alleged that it was “unreasonable” to subject civil servants in the upper salary band to a pay reduction of as high as 5.38% in 2009-10³, and that the negative sentiment arising from the excessive reduction would be relieved by a higher pay increase pegged to that for civil servants in the middle salary band in 2012-13 (i.e. 5.8%).

4. The staff side of the Police Force Council (PFC) emphasises that it only accepts the pay offers most reluctantly. It has expressed disappointment that its pay claim of not less than 7% for civil servants in the upper and middle salary bands has not been acceded to. It has also asked for a second Grade Structure Review (GSR) subsequent to the one completed by the Standing Committee on Disciplined Services Salaries and Conditions of Service (SCDS) for the disciplined services in November 2008.

(B) The Administration’s View

5. We do not agree with the views expressed by the HKCCSA and do not support its request. Its claim that the pay offer for the upper salary band fails to catch up with inflation is not substantiated, since the offer (5.26% pay rise) exceeds the forecast headline inflation of 3.5% for 2012 as a whole. Furthermore, in 2009-10, after considering all the relevant factors under the annual civil service pay adjustment mechanism (see paragraph 7 below), the pay for civil servants in the upper salary band was reduced in line with the net PTI for that band as derived from the 2009 Pay Trend Survey (PTS), and the findings of this PTS were validated and accepted by the majority (12 out of 16) of the tripartite PTS Committee⁴. In any case,

2 The other two constituent associations of the staff side of the Senior Civil Service Council, namely the Hong Kong Senior Government Officers Association and the Association of Expatriate Civil Servants of Hong Kong, have accepted the Administration’s pay offers.

3 The CE-in-Council decided in June 2009 that, subject to the enactment of legislation, the pay of civil servants in the upper salary band and the directorate should be reduced by 5.38%, which was equal to the net PTI of the upper salary band as derived from the 2009 PTS. Following the enactment of a pay reduction ordinance by the Legislative Council, the pay of these civil servants was reduced by 5.38% with effect from 1 January 2010.

4 The PTS Committee comprises representatives of the staff sides of the four central consultative councils, representatives of the Administration as well as members from the Standing Commission on Civil Service Salaries and Conditions of Service and the SCDS.

each year's civil service pay adjustment is a separate and independent exercise.

6. We also note the reluctant acceptance of the pay offers by the staff side of the PFC. On its request for the conduct of another GSR, we have already briefed the Legislative Council Panel on Public Service on the mechanism approved by the CE-in-Council for deciding whether and when a GSR for a disciplined service should be conducted at the meeting held on 2 November 2009 (vide Legislative Council Brief CSBCR/PG4-085-001/57-58)⁵. The mechanism should be adhered to in requesting for the conduct of GSRs for the disciplined services.

7. Having considered the staff sides' responses to the pay offers and after taking into account all the relevant factors under the annual civil service pay adjustment mechanism (viz. the net PTIs, state of Hong Kong's economy, changes in the cost of living, the Government's fiscal position, staff sides' pay claims and civil service morale), the CE-in-Council decided that civil service pay for 2012-13 should be adjusted in accordance with the pay offers made.

IMPLICATIONS

8. The decision on the 2012-13 civil service pay adjustment is in conformity with the Basic Law, including the provisions concerning human rights. It has no sustainability, human rights, productivity or environmental implications. The financial and economic implications of the decision are the same as those set out in the Legislative Council Brief on this subject issued on 5 June 2012.

PUBLICITY

9. The Secretary for the Civil Service has informed the staff sides of the decision on the 2012-13 civil service pay adjustment earlier today (12 June 2012). A press release will be issued later today, and a spokesman will be available to answer media enquiries.

5 The CE-in-Council decided in October 2009 that, for greater flexibility, GSRs of the disciplined services should only be conducted as and when necessary having regard to significant changes in the job nature, responsibilities, proven recruitment and retention problems, etc. of the disciplined services. The Administration, or individual concerned departmental management, or the staff side of each disciplined services may request the conduct of a GSR with justifications; the request should be put to the SCDS for advice; and the request should then be submitted to the Executive Council for decision.

ENQUIRIES

10. Enquiries on this brief should be addressed to Miss Winnie Chui, Principal Assistant Secretary for the Civil Service (Tel: 2810 3112).

Civil Service Bureau
12 June 2012



香港政府華員會

HONG KONG CHINESE CIVIL SERVANTS' ASSOCIATION

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(電郵及傳真)

致香港特別行政區政府

公務員事務局局長

俞宗怡女士

尊敬的俞局長：

應允許高層公務員追上通脹

謝謝您昨天的來信，告知行政長官會同行政會議向中央評議會職方提出 2012-13 年度公務員薪酬調整方案。

調高低層公務員薪調幅度符合社會公義

香港政府華員會歡迎政府決定調高低層薪酬級別的增幅至 5.8%，與中層“掛鉤”、看齊，並不低於高層薪酬級別的增幅，認為此舉有利於減緩公務員隊伍內高低薪之間的差距，亦容許低層公務員的薪酬追上通脹。否則怎能再次體現政府體恤中低層公務員的善意，怎能符合社會公義？

惟本會必須指出，儘管今年當局並沒有重覆強調，自 1989 年正式實施至今的“調高”安排(“Bring-up” arrangement)，即低層公務員薪酬調整幅度如低於中層，會調高至中層的調整幅度的做法，“並非”機制的一部份，但當局仍把此機制的一個組成部份貶低為“安排”，並說成是否“引用”調高安排，由政府每年決定。

低層公務員薪調增幅與中層“掛鉤”向為機制組成部份

本會認為，當局如此說法，有繼續誤導行政會議及公眾之嫌。當局並沒有講清楚，現行機制自 1974 年引入以來，公務員每年薪酬調整，行政長官會同行政會議每年均會按當時的情況，考慮政府的財政和香港的經濟狀況、薪酬趨勢指標、消費物價指數等多項因素。自 1989 年以來低層薪酬級別的增幅與中層“掛鉤”的做法，同為考慮因素之一。經考慮上述多項因素後，政府才決定公務員每年薪酬調整，或上調、下調，或凍薪、減薪，或調高、不調高。當局以之與未來公務員薪酬水平調查結果的應用混為一談，並不恰當。

歷史不容漠視或扭曲

本會必須再次指出，1988 年公務員薪酬調整及有關事宜調查委員會(Committee of Inquiry into the 1988 Civil service Pay Adjustment and Related Matters，即俗稱的“仲裁委員會”)，在研究了薪酬趨勢調查採用的方法後，在它 1989 年 3 月的《最後報告》中向當時的港英政府作出了建議：“除非另有強而有力的理由 (unless there are overriding reasons for not doing so)，否則，若較低薪酬級別的薪酬趨勢指標計算出來，較中級薪酬級別的為低，便應將之提高至同等水平”。建議為當時的行政局接納並於 1989 年正式實行至今。自此，23 年來，這“調高”安排即已成為整個公務員薪酬調整機制的不可或缺部份。當局不能漠視或扭曲這段歷史！

- 事實上，24年前作此建議的3大理由中的其中兩個仍然存在，即：
- 理由之一，政府應“置身善待僱員的僱主之列(be among the better paying employers in relation to the lowest paid)”——除非特區政府不再繼續殖民地政府當年訂定的公務員薪酬調整政策，不願再“置身善待僱員的僱主之列”。
 - 理由之二，“較低薪酬級別職員中包括了第一標準薪級人員，他們之中約有80%已達到其薪級表的頂點，沒有資格再獲遞加增薪”，這種情況，至今依然。

高層薪調追不上通脹

美中不足的是，根據政府提出的本年度公務員薪酬調整方案，5.26%的高層薪酬級別的薪調，連通脹也追不上，不但降低了他們的購買力，亦導致他們未能真正分享經濟的成果。此舉亦無助紓緩2009年因有問題公司被不合理地納入薪酬趨勢調查結果之中，導致他們曾被不合理地多減薪3.2%引致的不滿。

本會希望政府重新考慮，輕微上調高層薪酬級別公務員的薪酬調整幅度0.54%至5.8%。

承理事會命，

副秘書長

(梁偉明)

謹啓

2012年6月6日

**Hong Kong Senior Government
Officers Association**

Room 328, Central Government Offices
East Wing, 2 Tim Mei Avenue, Tamar,
Hong Kong

**Association of Expatriate Civil
Servants of Hong Kong**

Room 327, Central Government Offices
East Wing, 2 Tim Mei Avenue, Tamar,
Hong Kong

Miss Denise YUE
Secretary for the Civil Service
9/F, West Wing,
Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

Dear Miss YUE,

6 June 2012

2012/13 Civil Service Pay Adjustment

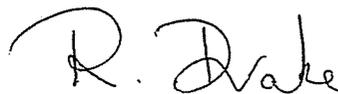
The HKSGOA and AECS wish to inform you that we accept the pay offers made by the Chief Executive-in-Council that, with effect from 1 April 2012, a pay increase of 5.80% for civil servants in the lower and middle salary bands and a pay increase of 5.26% for civil servants in the upper salary band and the directorate.

We understand that the proposed pay adjustments are subject to the final decision of the Chief Executive-in Council.

Yours sincerely,



(Philip KWOK)
for Hong Kong Senior
Government Officers Association



(Rebecca DRAKE)
for Association of Expatriate
Civil Servants of Hong Kong

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協會檔號 OUR REF: CP PER SS C/4-85/2

來件編號 YOUR REF: CSBCR/PG/4-085-001/70

6th June 2012

The Hon Denise YUE Chung-ye, GBS, JP
Secretary for the Civil Service
9/F., West Wing, Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong.

Dear Miss YUE,

2012-13 Civil Service Pay Adjustment

This letter sets out the Police Force Council Staff Side (PFC SS) response to the pay adjustment offers made to us in your letter dated 5th June 2012. The pay increase offers of 5.26% for Upper Salary Band and 5.80% for Middle Salary Band, with effect from 1st April 2012, are most reluctantly accepted by the PFC SS.

We note the adjustment will go forward to CE-in-Council for consideration of our response and a final decision being made on the 2012-13 Civil Service Pay Adjustment.

Please be advised that this has not been a unanimous decision. A not insignificant number of Police Officers remain most displeased with the result seeing it as yet one more year where Officers fall further behind in real terms from the true cost of living and in deficit of their due and warranted remuneration.

We express great disappointment that our pay claim of not less than 7% has not been fulfilled. In addressing pay for the disciplined services, including Police Officers, we call for a Grade Structure Review in the coming year to address our concerns as outlined in our letter under reference SF(8) in SS/C 1/12 Pt. 20 dated 6th December 2011.

Yours sincerely,

SHAM Wai-kin
Chairman
SPA

Ben TSANG
Chairman
HKPIA

Ron ABBOTT
Chairman
OIA

Joe CHAN
Chairman
JPOA

SUPERINTENDENTS'
ASSOCIATION
警司協會

HONG KONG
POLICE INSPECTORS'
ASSOCIATION
香港警務督察協會

OVERSEAS INSPECTORS'
ASSOCIATION
海外督察協會

JUNIOR POLICE OFFICERS'
ASSOCIATION
警察員佐級協會

c.c.

Commissioner of Police

Chairman of Standing Committee on Disciplined Services Salaries and Conditions of Service

Chairmen of the Staff Side of the Central Staff Consultative Councils

Chinese version only

Annex C

只附中文版

附件 C

紀律部隊評議會(職方)
Disciplined Services Consultative Council
(Staff Side)

本函檔號：SSDSCC/P-3
來函檔號：CSBCR/PG/4-085-001/70

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政府總部西翼九樓
公務員事務局局長
俞宗怡女士

俞局長：

二零一二至一三年度公務員薪酬調整

二零一二年六月五日來信收悉。本會同意行政長官會同行政會議就 2012 至 2013 年度公務員薪酬調整方案的決定。

紀律部隊評議會(職方)主席文少峰

二零一二年六月六日

政府飛行服務隊機師工會
Government Flying Service
Pilots' Union

政府飛行服務隊空勤主任協會
Government Flying Service
Aircrewman Officers Association

政府飛行服務隊飛機工程師會
Government Flying Service
Aircraft Engineers Association

政府飛行服務隊飛機技術員工會
Government Flying Service
Aircraft Technicians Union

懲務事務職員協會(高級組)
Correctional Services
Officers' Association
(Senior Section)

懲務事務職員協會(初級組)
Correctional Services
Officers' Association
(Junior Section)

香港海關官員協會
Association of Customs &
Excise Service Officers

香港海關職員工會
Hong Kong Customs
Officers Union

香港消防控制組職員會
Hong Kong Fire Services
Control Staff's Union

香港消防處救護員會
Hong Kong Fire
Services Department
Ambulance Staff's Union

香港消防處救護主任協會
Hong Kong Fire Services
Department Ambulance
Officers Association

香港消防主任協會
Hong Kong Fire Services
Officers Association

香港消防處職工總會
Hong Kong Fire Services
Department
Staffs' General Association

香港入境事務助理員工會
Hong Kong Immigration
Assistants Union

入境事務主任協會
Immigration Service
Officers Association

Chinese version only

只附中文版

Annex D

附件 D

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第一標準薪級公務員評議會(職方)
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本函檔號：SSMOD/SAL/PAY/5/7/1 Pt.26
來函檔號：CSBCR/PG/4-085-001/70 Pt.2

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公務員事務局局長
俞宗怡女士

尊敬的俞局長：

二零一二至一三年度公務員薪酬調整

局方在2012年6月5日的來信已收到了。本會職方接納行政長官會同行政會議提出的薪酬調整方案，即低層薪金級別加薪幅度上調至5.8%與中層看齊，調整由2012年4月1日起生效。

職方認為此方案能提升低層公務員的士氣，亦非常感謝局方體諒低層公務員所面對的生活壓力。職方明白行政長官會同行政會議將考慮職方對薪酬調整方案的意見，然後就二零一二至一三年度公務員薪酬調整作出最後決定。

第一標準薪級公務員評議會

職方主席李惠儀



2012年6月6日