

立法會
Legislative Council

LC Paper No. CB(4)256/14-15
(These minutes have been seen
by the Administration)

Ref : CB4/PL/PS

Panel on Public Service

Minutes of meeting held on
Monday, 17 November 2014, at 10:45 am
in Conference Room 3 of the Legislative Council Complex

Members present : Hon POON Siu-ping, BBS, MH (Chairman)
Hon KWOK Wai-keung (Deputy Chairman)
Hon LEE Cheuk-yan
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Dr Hon LEUNG Ka-lau
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Claudia MO
Hon LEUNG Che-cheung, BBS, MH, JP
Hon SIN Chung-kai, SBS, JP
Hon IP Kin-yuen
Hon Martin LIAO Cheung-kong, SBS, JP
Hon TANG Ka-piu, JP
Hon Tony TSE Wai-chuen, BBS

Member attending : Hon WONG Kwok-hing, BBS, MH

Member absent : Hon LEUNG Kwok-hung

Public officers attending : Agenda item III

Mr Paul TANG, JP
Secretary for the Civil Service

Mr Raymond H C WONG, JP
Permanent Secretary for the Civil Service

Ms Vivian SUM, JP
Deputy Secretary for the Civil Service 3

Agenda item IV

Mr Paul TANG, JP
Secretary for the Civil Service

Mr Raymond H C WONG, JP
Permanent Secretary for the Civil Service

Ms May CHAN, JP
Deputy Secretary for the Civil Service 2

Ms Winnie NG, JP
Secretary General,
The Joint Secretariat for the Advisory Bodies on Civil
Service and Judicial Salaries and Conditions of
Service

Miss Winnie CHUI
Principal Assistant Secretary for the Civil Service
(Pay & Leave)

Clerk in attendance : Miss Mary SO
Chief Council Secretary (4)2

Staff in attendance : Ms Cindy CHAN
Senior Council Secretary (4)2

Ms Rebecca LEE
Council Secretary (4)2

Miss Vivian YUEN
Legislative Assistant (4)2

Action

I. Papers issued since the last meeting

- (LC Paper No. CB(4)56/14-15(01) -- Joint letter from Hon TANG
(*Chinese version only*) Ka-piu and Hon KWOK
Wai-keung dated 16 October
2014 proposing to discuss the
issue of "Application of the
2014-2015 Civil Service Pay
Adjustment to non-civil service
contract staff and subvented
sector staff"
- (LC Paper No. CB(4)107/14-15(01) -- Letter from Hon WONG
(*Chinese version only*) Kwok-hing dated 24 October
2014 proposing to discuss the
issue of "Manpower situation,
remuneration and grade
structure of Government
Lifeguards"

The Chairman said that the Administration suggested to address the issue of "Application of the 2014-2015 Civil Service Pay Adjustment to non-civil service contract ("NCSC") staff and subvented sector staff" in the discussion of the issue of "Employment situation of NCSC staff" proposed for discussion by the Panel in December 2014. As regards the issue of "Manpower situation, remuneration and grade structure of Government Lifeguards", the Administration suggested to address the issue in the discussion of the issue of "Mechanism for conducting a grade structure review" proposed for discussion by the Panel at a future meeting. Members did not raise any queries.

II. Date of next meeting and items for discussion

- LC Paper No. CB(4)139/14-15(01) -- List of outstanding items for
discussion
- LC Paper No. CB(1)139/14-15(02) -- List of follow-up actions

2. Members agreed to discuss the following items proposed by the Administration at the next regular meeting scheduled for Monday, 15 December 2014 at 10:45 am -

- (a) Employment situation of NCSC staff; and
- (b) Review on conditioned hours of work for Model Scale 1 Grades.

III. Commendation schemes for civil servants

(LC Paper No. CB(4)139/14-15(03) -- Administration's paper on "The Civil Service Outstanding Service Award and other commendation schemes for civil servants"

LC Paper No. CB(4)139/14-15(04) -- Updated background brief on the "Civil Service Outstanding Service Award and other commendation schemes for civil servants" prepared by the Legislative Council ("LegCo") Secretariat

Briefing by the Administration

3. At the invitation of the Chairman, Secretary for the Civil Service ("SCS") briefed members on the Civil Service Outstanding Service Award Scheme ("the Award Scheme") and three other commendation schemes for civil servants, details of which were set out in the Administration's paper (LC Paper No. CB(4)139/14-15(03)).

Discussion

The Award Scheme

4. Mr WONG Kwok-hing expressed support for the Award Scheme which would help motivate proactive and sustain exemplary performance from civil servants. Mr WONG asked whether and if so, what measure(s) had been put in place to give recognition to deserving NCSC staff for their exemplary performance.

5. SCS responded that the Award Scheme was to recognize the achievements of bureaux/departments ("B/Ds") at inter-departmental, departmental and team levels. The exemplary performance of NCSC staff would be recognized if they were members of the winning departments/teams. The SCS's Commendation Award Scheme was only applicable to civil servants and the award recipients had on average more than 20 years of service. As NCSC staff were employed on a time-limited basis, the Scheme did not cover them. Heads of B/Ds could decide on their own the most appropriate means to give recognition to deserving NCSC staff for their exemplary performance.

6. Mr Tony TSE expressed support for the Award Scheme which aimed at promoting a customer-oriented service culture in the civil service and encouraging the pursuit of excellence in the delivery of public service. Mr TSE urged the Civil Service Bureau ("CSB") to step up publicity to let the public know more about the exemplary performance of the winning departments and teams.

7. SCS responded that the CSB would continue to commission Radio Television Hong Kong to produce a one-hour TV programme for broadcast on television. The CSB would also continue to arrange talks and visits to schools and different community groups to introduce exemplary government services.

8. Responding to Mr KWOK Wai-keung's enquiry about the effectiveness of the efforts made in publicizing the achievements of the winning departments and teams under the Award Scheme, Permanent Secretary for the Civil Service ("PSCS") said that such efforts were effective as the TV programme on the Award Scheme was broadcast during prime time and responses from schools and different community groups on the talks and visits to introduce innovative and exemplary government services were positive.

Morale of civil servants

9. Mr TANG Ka-piu said that the filibustering by LegCo Members of the pan-democratic camp to delay the voting of funding proposals at the Finance Committee ("FC") and its two Subcommittees since the last legislative session had resulted in much time and efforts paid by the civil servants concerned in attending meetings of FC and its two Subcommittees, and in some cases, the proposed projects needed to be re-tendered because the projects could not go through all the funding approval procedures within the specified time. In the light of this and having regard to the recent non-cooperative movement launched by these Members to protest against the Government for not taking any concrete action to address the requests of protesters of the "Occupy Central" movement,

Mr TANG expressed concern that the morale of civil servants had been undermined as a result. Mr Tony TSE raised similar concern, and asked whether, and if so, what measure(s) would be taken by the Administration to help raise the morale of civil servants.

10. SCS assured members that despite facing a difficult situation, civil servants would continue to discharge their duties in a professional manner. SCS further said that the CSB would continue to provide relevant training to civil servants to help enhance their skills, knowledge and mindset for providing quality service to the public.

11. Mr WONG Kwok-hing asked whether, and if so, what action(s) would be taken by the Administration to recognize the professional and impartial manner of frontline Police in protecting public order and public safety in the "Occupy Central" movement which affected various areas on Hong Kong Island and in Kowloon and spanning over 40 days, and to alleviate the great pressure and heavy workload in handling the movement.

12. SCS responded that to his understanding, the Police management would consider taking appropriate action to recognize the commendable performance of its officers in their discharge of duties such as the handling of the "Occupy Central" movement. To alleviate the great pressure and heavy workload of frontline Police in handling the "Occupy Central" movement, suitable manpower deployment had been and would continue to be made by the Police. The Administration attached great importance to staff morale and the Chief Executive, the Chief Secretary for Administration, the Secretary for Security and himself had on different occasions visited frontline Police officers to commend their efforts and performance in handling the "Occupy Central" movement with a view to boosting their morale. Special approval was also given by the CSB to lift the cap on annual leave accumulation of those Police officers involved in the exercise.

13. Mr TANG Ka-piu asked whether, in view of the "Occupy Central" movement which had engendered dissatisfaction against the Government in some quarters of the community, there had been an increase in the overall number of complaints against civil servants.

14. SCS responded that whilst he did not have the actual figures on hand, he surmised that there had not been any significant change in the overall number of complaints against civil servants since the start of the "Occupy Central" movement on 28 September 2014, except for an increase in the number of complaints lodged with the Independent Police Complaints Council against the Police's handling of the "Occupy Central" movement.

Political neutrality of civil servants

15. Ms Emily LAU said that the Government should not use civil servants to tackle political issues, such as the "Occupy Central" movement. In the light of this and having regard to the fact that many non-official members of Government's advisory bodies/committees increasingly came from the pro-establishment camp, Ms LAU queried whether civil servants could continue to discharge their duties in an impartial manner.

16. SCS responded that political neutrality was one of the core values of the civil service. Civil servants were well aware of their responsibility to implement the policies and decisions of the Government of the day in a professional and impartial manner and to provide objective and honest advice to Government-appointed advisory bodies and statutory bodies dealing with Government affairs.

17. Mr TAM Yiu-chung urged the CSB to take heed of a recent newspaper reporting that a civil servant served as marshal in the "Occupy Central" movement during his sick leave.

18. SCS responded that it was not appropriate for him to comment on individual cases. He however assured members that the CSB would seriously follow up on all complaints on alleged misconduct of civil servants.

19. Whilst agreeing that civil servants were entitled to enjoy their civil and political rights as citizens, Mr LEUNG Che-cheung questioned the appropriateness of some civil servants wearing yellow ribbons to show their support for the "Occupy Central" movement whilst at work. Mr LEUNG asked whether the Administration had laid down any guidelines governing the display of political stance of civil servants whilst at work.

20. SCS responded that the CSB had clear guidelines to uphold political neutrality of the civil service. Civil servants should not allow their own personal political affiliation or political beliefs to determine or influence the discharge of their official duties and responsibilities.

2014-2015 civil service pay adjustment

21. Mr TAM Yiu-chung said that although the proposed 2014-2015 civil service pay adjustment was on the agenda of FC meeting for 11 July 2014, such proposal was yet to be approved by FC due to filibustering by some Members at FC meetings. Mr TAM asked when the Administration expected the proposal to be approved by FC.

22. SCS hoped that the voting of the proposed 2014-2015 civil service pay adjustment at FC could take place within the current financial year. SCS further said that although some FC Members had requested at the FC meeting held on 17 October 2014 to revise the sequence of the FC agenda items carried over from the last legislative session to facilitate early discussion of less controversial items, such as the proposed 2014-2015 civil service pay adjustment, the Administration decided not to accede to such a request as all deferred funding proposals, including those relating to three landfill extensions and the "Integrated Waste Management Facilities" ("IWMF"), were all important and livelihood-related.

23. Whilst noting that the proposed 2014-2015 civil service pay adjustment would be effected retrospectively from 1 April 2014 if approved by FC, Mr KWOK Wai-keung enquired whether the Administration would compensate civil servants for the loss of purchasing power of their salaries if the proposed pay rise could not be approved by FC within the current financial year.

24. SCS responded that the Administration did not envisage the approval of the proposed 2014-2015 civil service pay adjustment would drag on for so long by FC, which was unprecedented. SCS further said that the conduct of the 2015 Pay Trend Survey ("PTS") to assess how the prevailing civil service pay compared with the pay in the private sector was now underway. In determining the size of the annual pay adjustments for civil servants, apart from the purchasing power of the civil service pay, the Government would take into account other factors such as the state of Hong Kong's economy, the Government's fiscal position, the pay claims of the staff sides and civil service morale.

25. Ms Emily LAU, Mr LEE Cheuk-yan and Mr IP Kin-yuen urged the Administration to re-consider revising the sequence of the FC agenda items deferred from the last legislative session, so that the proposed civil service pay adjustment could be applied without further delay to civil servants and staff of those subvented organizations which used the civil service pay scales. Mr LEE further said that the effect of the Administration's refusal to revise the sequence of the agenda items of FC carried over from the last legislative session to facilitate the early discussion of the proposed pay increases for the civil service was tantamount to the Government owing civil servants' salaries.

26. SCS responded that there was no question of the Government owing civil servants' salaries, as the proposed 2014-2015 civil service pay adjustment could only be implemented after it was approved by FC. SCS reiterated that all deferred FC agenda items were important and urgent in different ways. A more pragmatic approach was for FC to press full steam ahead with the scheduled

agenda items, with the three landfill extensions and the IWMF at the top of the FC agenda.

27. Responding to Mr LEE Cheuk-yan's enquiry on the impact of the delay in implementing pay rise to civil servants on NCSC staff, SCS said that there was no such impact as the pay of NCSC staff was managed differently from that of the civil service due to the fact that NCSC staff were recruited by individual B/Ds mainly for work that was seasonal, time-limited or part-time in nature, or work where the mode of delivery was under review or likely to be changed, etc.

IV. Pay Level Survey

LC Paper No. CB(4)139/14-15(05) -- Administration's paper on "Civil Service Pay Level Survey 2013: Findings and Recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service"

LC Paper No. CB(4)139/14-15(06) -- Background brief on "Pay Level Survey for the civil service" prepared by LegCo Secretariat

Briefing by the Administration

28. At the invitation of the Chairman, SCS briefed members on the findings and recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service ("the Standing Commission")'s Report on the Civil Service Pay Level Survey 2013 ("the Report"), details of which were set out in the Administration's paper (LC Paper No. CB(4)139/14-15(05)). Notably, the Standing Commission recommended no change to the salary of officers of Job Level ("JL") 1 to JL 4 (i.e. Model Scale 1 Pay Scale and Master Pay Scale ("MPS") Point 0 to 44) and an upward adjustment of 3% to the salary of officers of JL 5 (i.e. MPS Point 45 to 49) with effect from 1 October 2014 (i.e. the beginning of the month in which the Standing Commission submitted the Report to the Chief Executive ("CE")). The Administration was inviting views from the major staff organizations on the findings and recommendations of the Report to the Administration. Upon receiving their views and the advice from the Standing Committee on Disciplined Services Salaries and Conditions of Service and the Standing Committee on Directorate Salaries and Conditions of Service on how the survey findings should be applied to the disciplined services and directorate grades, the Administration would submit its recommendations on how

to take forward the Report to the CE-in-Council for a decision. The Administration would brief this Panel on the CE-in-Council's decision when it was available.

Declaration of interest

29. Mr Tony TSE declared that he was a member of the Standing Commission since 1 January 2014. As he was involved in the conduct of the 2013 Pay Level Survey ("PLS"), Mr TSE said that he would not give views on the findings and recommendations of the Standing Commission on the 2013 PLS or vote on the matters, if any.

Discussion

Review of the PLS

30. Mr WONG Kwok-hing referred members to the Government Employees Association ("GEA")'s letter dated 12 November 2014 to SCS which welcomed that the Standing Commission agreed with the GEA that in the light of the experience gained in conducting the 2006 and 2013 PLSs, it was an opportune time for the Administration to give thought to whether a review of the PLS, covering areas such as the survey methodology, application issues and frequency for the conduct of the PLS, should be conducted. In the same letter, the GEA also pointed out that some of its members questioned the need of conducting a PLS which needed much time and resources to complete, as the annual PTS could also achieve the purpose of ascertaining whether civil service pay remained broadly comparable with private sector pay. Concern was also raised about the public confusion caused by the different categorization of civil servants adopted in these two surveys. In the light of this, Mr WONG enquired whether, and if so, when the Administration would review the PLS, including the viability of combining the PLS and the PTS into one survey.

(Post-meeting note: The GEA letter was issued to members vide LC Paper No. CB(4)173/14-15(01) (Chinese version only) on 18 November 2014.)

31. SCS responded that the Administration agreed that a review of the PLS should be conducted to identify room for improvement, after completion of its work on taking forward the recommendations of the Standing Commission as set out in paragraph 12 of the Administration's paper. On the suggestion of not conducting the six-yearly PLS as the annual PTS could ascertain whether civil service pay remained broadly comparable with private sector pay, SCS said that the PTS and the PLS were two different types of surveys in that the PTS aimed to

ascertain the year-on-year pay adjustments in the private sector whereas the PLS aimed to ascertain whether the level of civil service pay remained broadly comparable with that of the private sector pay. SCS further said that as the PLS was more complex and had a wider scope and impact on the civil service, it would be a much more complicated exercise requiring much longer time to complete as compared to the PTS.

32. Mr LEE Cheuk-yan opined that a review of the PLS should be carried out to examine whether the PLS should continue to be conducted every six years to ascertain whether civil service pay remained broadly comparable with private sector pay, as the PLS would widen pay disparity between senior and junior civil servants, which in turn would create conflicts amongst civil servants and aggravate disparity between rich and poor in Hong Kong. Taking the 2013 PLS as an example, Mr LEE pointed out that with reference to a plus/minus 5% range, the salary of officers of JL 5 was recommended for an upward adjustment of 3%. Despite the fact that the salary of officers of JLs 3 and 4 lagged behind that of the comparable jobs in the private sector by 4% and 2% respectively, no change was recommended to the salary of officers of JLs 3 and 4. Mr LEE further pointed out that as private sector organizations tended to remunerate their senior staff more generously than their junior staff, particularly so for those organizations belonging to the financing, insurance and real estate sector, junior civil servants would more likely have their salaries adjusted downward if their salaries were found to be higher than the comparable jobs in the private sector by more than 5% in the next PLS exercise. Mr IP Kin-yuen expressed similar views.

33. Mrs Regina IP disagreed that the conduct of PLS should be discontinued, as the problem of disparity between rich and poor in Hong Kong should be addressed by other means. Mr KWOK Wai-keung expressed similar view.

34. SCS responded that the Government's civil service pay policy was to offer sufficient remuneration to attract, retain and motivate staff of suitable calibre to provide the public with an effective and efficient service; and to ensure that civil service remuneration was regarded as fair by both civil servants and the public they serve through maintaining broad comparability between civil service and private sector pay. To achieve such broad comparability, under the Improved Civil Service Pay Adjustment Mechanism implemented in 2007, civil service pay was compared with private sector on a regular basis through three separate surveys, i.e. the annual PTS, the three-yearly Starting Salaries Survey ("SSS") and the six-yearly PLS. SCS further said that the Administration would take a holistic view in determining how to take forward the recommendations made in the Report. In doing so, the Administration would take into account the views of the staff bodies.

35. Mr TANG Ka-piu and Mr KWOK Wai-keung urged the Administration to expeditiously conduct a review of the PLS, having regard to the views of the GEA on the PLS set out in its letter dated 12 November 2014 to SCS.

36. SCS reiterated that the Administration would conduct a review of the PLS, after completion of its work on taking forward the recommendations of the Standing Commission. Whilst he could not provide an exact timetable for conducting the review, SCS assured members that this would take place before the next PLS exercise.

Selection of private sector organizations for pay comparison

37. Mr Martin LIAO shared the view that it was an opportune time to review the PLS to ascertain its validity. Referring to the profile of the 128 participating organizations set out in Table 2 of the Report, Mr LIAO asked why 15.6% of the organizations came from the wholesale, retail and import/export sector, despite the declining role of this sector in the economic activities of Hong Kong.

38. Secretary General, The Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service ("SG, JSSCS") responded as follows:

- (a) in determining the criteria for selecting private sector organizations to be surveyed for collecting pay information, the guiding principle was that in their entirety, the organizations to be included should provide a reasonable representation of pay levels prevailing in the Hong Kong market for reference. On this basis, one of the selection criteria adopted in the 2013 PLS was that the selected organizations should represent a breadth of economic sectors and have 100 or more employees;
- (b) as a starting point, the list of more than 400 organizations invited in the 2012 SSS was used as the basis for the 2013 PLS to ensure a reasonable level of participation. Upon reviewing the organizations against the selection criteria as set out in paragraph 4.3 of the Report, and having suitably considered the staff bodies' views, the finalized list of private sector organizations invited to participate in the 2013 PLS comprised a total of 447 organizations;
- (c) the Standing Commission could not predetermine the profile of participating organizations as set out in Table 2 of the Report, as the private sector organizations took part in the survey purely on a

voluntary basis. Of the 447 private sector organizations invited, a total of 128 organizations provided data to the Consultant. The classification of participating organizations by nine economic sectors followed the classification adopted by the Census and Statistics Department ("C&SD"); and

- (d) according to the Consultant, not only did the 128 participating organizations cover all major economic sectors in Hong Kong, the distribution of the 128 organizations by economic sector was also generally in line with the market as reflected in the statistics of the C&SD for organizations with 100 or more employees in the third quarter of 2013. For example, according to C&SD's figures, 19.1% of the organizations employing at least 100 employees in Hong Kong in the third quarter of 2013 belonged to the wholesale, retail and import/export sector, as compared with 15.6% of the organizations which provided data for the 2013 PLS belonging to the same sector.

39. Mrs Regina IP enquired whether the list of 447 private organizations selected for participating in the 2013 PLS included such non-statutory public bodies as the Trade Development Council.

40. SG, JSSCS responded that one of the selection criteria for the 2013 PLS was that the private sector organization should not use civil service pay scales or pay adjustments as major factors in determining the pay levels or pay adjustments for their staff, or should not have done so in the past five years. The names of the 128 private sector organizations participating in the 2013 PLS were set out in Appendix E to the Report.

Job matching and collection of pay data information from the private sector organizations

41. Ms Emily LAU queried the appropriateness of comparing civil service pay with that of the private sector, in view of the inherent differences between the civil service and private sector and their uniqueness. For example, civil servants had job security whereas this was not necessarily the case for private sector employees.

42. SCS responded that the Standing Commission recognized the inherent differences and uniqueness between the civil service and private sector and had taken them into consideration when recommending the application of the survey results. It was noted that the Standing Commission had taken into account all relevant principles and considerations under a holistic approach when making its recommendations. Further, comparison between civil service pay and private

sector pay for each JL under the PLS was made on the basis of total cash compensation (rather than basic cash compensation). The total cash compensation of the civil service included salary and fringe benefits paid in cash, such as housing allowances, local education allowance, overseas education allowance and school passage allowance. Similarly, the total cash compensation of the private sector included base salary, variable pay and fringe benefits paid in cash.

43. Mr LEE Cheuk-yan sought the following information:

- (a) breakdown of the private sector pay indicator for each JL set out in Table 5 of the Report; and
- (b) reason(s) why only 80 private sector organizations provided data for JL 5 and the data of the matched private sector jobs for JL 5.

Admin

SCS agreed to provide the requested information after the meeting.

44. Mr TANG Ka-piu expressed concern that with the Government increasingly contracted out frontline jobs to the private sector, the salary of officers of JLs 1 and 2 would be at risk of being adjusted downward if the pay difference between the civil service and private sector pay indicators for the respective JL was larger than 5%.

45. SCS pointed out that the findings of the 2013 PLS revealed that it remained broadly comparable with the upper third quartile (i.e. P75) level of private sector pay for jobs with comparable nature and similar level of responsibilities on the survey reference date (i.e. 1 October 2013). SCS surmised that this was probably due to the implementation of the statutory minimum wage rate which had improved the earnings of low-income workers. SCS further said that a holistic approach was adopted by the Standing Commission for the 2013 PLS. The Standing Commission had consulted the staff bodies and suitably taken their views into account in deciding the survey methodology and application of survey findings for the 2013 PLS.

46. Mr KWOK Wai-keung queried whether the survey findings which revealed that the pay for civil servants in JL 5 was around 8% lower than the P75 level of private sector pay were due to the facts that (a) the pay for employees of private sector organizations belonging to the financing, insurance and real estate sector was generally high, particularly those in senior positions; and (b) 22.7% of the participating organizations belonged to this sector.

47. SG, JSSCS responded that the selection of private sector organizations were based on a set of objective criteria which had been agreed with the staff bodies and how a private sector organization remunerated its employees was not one of the selection criteria. She further said that pay data from the 128 participating private sector organizations were collected by the Consultant. If there were any outlying pay data, the senior staff of the Consultant would further check the data to ensure integrity of the data collected.

Application of the recommendations of the Standing Commission

48. Mr LEE Cheuk-yan enquired whether the upward adjustment of 3% for civil servants on MPS Point 45-49, if supported by the CE-in-Council, would be applied to staff of public bodies, such as the Hospital Authority, the University Grants Committee-funded universities and subvented welfare organizations, the salaries of which were delinked from the civil service so as to better retain and attract good calibre staff.

49. SCS responded that the Administration would, in determining how to take forward the recommendations of the Standing Commission, consider whether the recommended upward adjustment of 3% of the salary of officers in JL 5 should be applied to Government-funded public bodies. As a general rule, the pay adjustment arising from the PLS would only be made to those subvented bodies which had not been delinked from civil service pay. SCS pointed out that the salaries of some subvented bodies, though delinked from the civil service, were in fact higher than the salaries of the civil service.

Other issues

50. Mr IP Kin-yuen urged for a review of the grade structure of Principal in Government and aided secondary schools. Mr IP pointed out that although the nature of work and level of responsibilities of Principal I and Principal II of Government and aided secondary schools were similar, except that the former's school operated 24 classes or more whereas the latter's school operated 23 classes or fewer, only the salary of Principal I (MPS Point 45-49) might be adjusted upward by 3% whereas that of Principal II (MPS Point 40-44) would remain unchanged. Mr IP further said that the salary of Principal II of Government and aided secondary schools also called for a review, as the salary of a Vice Principal of a Government or aided secondary operating 24 classes or more was presently higher than that of a Principal II of a Government or aided secondary school.

51. PSCS clarified that the education field was not covered in the 2006 PLS and continued to be so in the 2013 PLS. As set out in paragraph 4.3 of the Report, one of the selection criteria for private sector organizations was that they should not use the civil service pay scales or pay adjustments as major factors in determining the pay levels or pay adjustments for their staff, or should not have done so in the past five years. In this connection, the education as well as medical and health care and social welfare fields were not covered in the 2006 and 2013 PLSs. This was because most of the private sector organizations where reasonable counterparts could be found would not comply with such a selection criterion. Notwithstanding that the education field was not covered in the 2013 PLS, PSCS said that the Administration would, in determining how to take forward the recommendations of the Standing Commission, consider whether the recommended upward adjustment of 3% of the salary of officers in JL 5 should be applied to equivalent staff in Government and aided schools. PSCS further said that the 2013 PLS did not aim to examine the grade and salary structure of individual grades, and remuneration matters of Government and aided secondary schools should best be referred to the Education Bureau for separate consideration.

52. Responding to Mrs Regina IP's enquiry about when a review of the grade structure of the disciplined services would be conducted, SCS said that a decision to conduct a grade structure review ("GSR") had to be supported with good justifications. These included whether there were proven and persistent recruitment and retention difficulties and whether there were fundamental changes in the job nature, level of responsibilities and job complexity of any grade. The CSB would continue to maintain close contact with management and staff of the disciplined services in assessing the need for conduct of GSRs in their respective departments.

V. Any other business

53. There being no other business, the meeting ended at 12:45 pm.