

LEGISLATIVE COUNCIL BRIEF

2016-17 CIVIL SERVICE PAY ADJUSTMENT

INTRODUCTION

At the meeting of the Executive Council on 14 June 2016, the Council **ADVISED** and the Acting Chief Executive (CE) **ORDERED** that civil service pay for 2016-17 should be adjusted in accordance with the pay offers made to the staff sides of the four central consultative councils, viz. with retrospective effect from 1 April 2016 –

- (a) a pay increase of **4.19%** (equal to the net pay trend indicator (PTI) for the upper salary band) for civil servants in the upper salary band and the directorate;
- (b) a pay increase of **4.68%** (equal to the net PTI for the middle salary band) for civil servants in the middle salary band; and
- (c) a pay increase of **4.68%** (equal to the net PTI for the middle salary band) for civil servants in the lower salary band, by invoking the “bring-up” arrangement¹.

JUSTIFICATIONS

(A) Staff Sides’ Responses to the Pay Offers

2. Pursuant to the decision of the Acting CE-in-Council on 7 June 2016, the Government has put the pay offers in paragraph 1 above to the staff sides of the four central consultative councils. The staff sides’ responses to the pay offers are at **Annexes A to D**. In gist –

A to D

¹ The “bring-up” arrangement refers to the arrangement to align the pay adjustment for civil servants in the lower salary band with the net PTI of the middle salary band if the latter is higher than the net PTI of the lower salary band. This arrangement was introduced in 1989 upon the recommendation of the Committee of Inquiry into the 1988 Civil Service Pay Adjustment and Related Matters (1988 Committee of Inquiry).

- (a) the staff side of the Model Scale 1 Staff Consultative Council (MOD 1 Council) accepts the pay offer for the lower salary band² and asks that the practice of payroll cost of increments (PCIs) deduction be abolished as soon as possible;
- (b) the Hong Kong Chinese Civil Servants' Association, one of the constituent associations of the Senior Civil Service Council (SCSC) as well as the MOD 1 Council, accepts the pay offers which are the same as their pay claims for the relevant salary bands;
- (c) the other two constituent associations of the SCSC, namely the Association of Expatriate Civil Servants of Hong Kong (AECS) and Hong Kong Senior Government Officers Association (HKSGOA), accept the pay offer for the upper salary band (4.19%)³ although it falls short of their original pay claim of 5.28%. They also reiterate that the practice of the deduction of PCIs should be reviewed;
- (d) the staff side of the Police Force Council (PFC) is "deeply disappointed" that the practice of PCIs deduction, which they consider unfair, has continued. They also repeat their request for the Government to establish a platform for the Government to discuss with the staff sides how relevant factors should be taken into account when making a decision on civil service annual pay adjustment; and
- (e) the staff side of the Disciplined Services Consultative Council (DSCC) is not "fully satisfied" with the pay offers. They reiterate that the Government should take into account factors other than the net PTIs in deciding the civil service pay adjustment, considering that a reasonable pay rise can boost staff morale when the disciplined services are facing increasing work pressure under a politicised environment.

(B) The Government's Views

3. The practice of deduction of PCIs has been implemented since 1989 on the recommendation of the 1988 Committee of Inquiry together with the inclusion of private sector in-scale increment and merit pay in the computation of the gross PTIs. The Committee considered that, if private sector in-scale increment and merit pay were to be included in the Pay Trend Survey, the PCIs should be deducted for fairness. It is not intended to offset the increments of civil servants.

2 The MOD 1 Council staff side did not make any pay claim for the upper and middle salary bands.

3 The AECS and HKSGOA did not make any pay claim for the middle and lower salary bands.

4. Regarding PFC staff side's suggestion to establish a platform for the Government and the staff sides to discuss how relevant factors should be taken into account when determining annual civil service pay adjustment, we consider that the staff sides already have ample opportunities to express their views on pay adjustment, including the submission of formal pay claims, which the Executive Council will take into consideration, as well as meetings with the Secretary for the Civil Service (SCS) to explain their pay claims.

5. With regard to the views expressed by the staff side of DSCC, the Executive Council had already taken into account all relevant factors under the established mechanism in deciding the pay offers, including the pay claims from staff sides and the need to maintain staff morale.

6. Having considered the staff sides' responses to the pay offers and after taking into account all relevant factors, the Acting CE-in-Council decided that civil service pay for 2016-17 should be adjusted in accordance with the pay offers made.

IMPLICATIONS OF THE RECOMMENDATION

7. The Basic Law, financial and economic implications of the decision on 2016-17 Civil Service Pay Adjustment are the same as set out in the Legislative Council Brief on this subject issued on 7 June 2016. The decision has no environmental, family, productivity or sustainability implications. There is no gender issue.

PUBLICITY

8. The SCS has informed the staff sides of the decision on the 2016-17 Civil Service Pay Adjustment earlier today. A press release on the decision will be issued later today and a spokesman will be available to handle media enquiries.

ENQUIRIES

9. Enquiries on this brief should be addressed to Mr Paul Cheung, Principal Assistant Secretary for the Civil Service (Tel: 2810 3112).

Civil Service Bureau
14 June 2016

Rm. 326, 3/F,
East Wing,
Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong.

Tel No.: 2810 2209
Fax No.: 2537 8630
E-mail: sharon_wk_chung@csb.gov.hk

第一標準薪級公務員評議會(職方)
MODEL SCALE 1 STAFF CONSULTATIVE COUNCIL
(STAFF SIDE)

香港添馬添美道2號
政府總部東翼3樓326室
電話：2810 2209
傳真：2537 8630

本函檔號：SSMOD/SAL/PAY/5/7/1 Pt.27
來函檔號：CSBCR/PG/4-085-001/77

香港添馬添美道2號
政府總部西翼9樓
公務員事務局局長
張雲正先生

張局長：

二零一六至一七年度公務員薪酬調整

局方在2016年6月7日的來信收悉。

本會職方接納署理行政長官會同行政會議提出的薪酬調整方案，即低層薪金級別公務員的薪酬調整上調至4.68%與中層看齊，調整由2016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，然後就二零一六至一七年度公務員薪酬調整作出最後決定。

最後，正如職方於 2016 年 5 月 27 日的來信中提到，職方希望局方能盡快取消扣除遞增薪額的安排，讓公務員可得到應得的加薪；同時，根據以往慣例，低層薪金級別公務員的薪酬調整幅度如低於中層薪金級別公務員，會上調至與中層看齊，這做法應被視為公務員薪酬調整機制的一部分，以確保低層薪金級別公務員能獲得合理的加薪。

第一標準薪級公務員評議會

職方主席李惠儀



2016 年 6 月 8 日

Chinese version only

只附中文版



香港政府華員會

HONG KONG CHINESE CIVIL SERVANTS' ASSOCIATION

中國香港九龍京士柏衛理道 8 號 8 Wylie Road, King's Park, Kowloon, Hong Kong, China
電話 Tel : (852) 23001066 圖文傳真 Fax : (852) 2771 1139 網址 Website : <http://www.hkccsa.org.hk>

本函檔號：(41) in 2/7/CCSA(XXI)

致香港特別行政區政府
公務員事務局局長
張雲正先生

尊敬的張局長：

2016-17 年公務員薪酬調整事宜

謝謝您 2016 年 6 月 7 日的來信，告知署理行政長官會同行政會議提出的 2016-2017 年度公務員薪酬調整方案：公務員高層薪金級別上調幅度為 4.19%，中、低層為 4.68%。

本會歡迎政府接納本會的建議，歡迎政府再次決定“低跟中”的“調高”安排。就此，本會必須再次指出：多年來的事實證明，有關安排已是既定機制下，政府須予一併考慮的各項因素之一，體現了政府須為良好僱主的政策。

本會亦提請政府及時相應上調非公務員合約制員工的薪酬。若此，將有利於促進他們與公務員同事的團隊協作精神，亦可藉此展示政府是一個良好僱主的形象，符合社會公義。

奉理事會命，

副秘書長

謹啟

(蔡冠龍)

2016 年 6 月 8 日

English version only

只附英文版

**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

Mr. Clement CHEUNG, JP
Secretary for the Civil Service
9/F, West Wing,
Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong

8 June 2016

Dear Mr CHEUNG,

2016/17 Civil Service Pay Adjustment

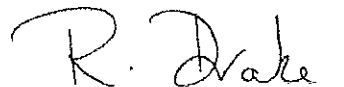
The HKSGOA and AECS wish to inform you that we accept the pay offer made by the Acting Chief Executive-in-Council that, with effect from 1 April 2016, a pay increase of 4.19% for civil servants in the upper salary band.

We understand that the existing Pay Trend Survey and the overall pay adjustment mechanism, in particular the formula for the calculation of the Increment Cost Deduction, would still need to be revamped to move with the times.

Yours sincerely,



(CHAN Sai-kwing)
for Hong Kong Senior
Government Officers Association



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

警察評議會職方協會
香港軍器廠街一號警察總部
警政大樓三十九樓
電話 Telephone: 2860 2645
傳真 Fax: 2200 4355



POLICE FORCE COUNCIL
STAFF ASSOCIATIONS
39/F, ARSENAL HOUSE,
POLICE HEADQUARTERS,
1 ARSENAL STREET, HONG KONG.

協會檔號 OUR REF: CP PER SS C/4-85/1
來件編號 YOUR REF: CSBCR/PG/4-085-001/77

8th June 2016

The Hon. CHEUNG Wan-ching, Clement, JP
Secretary for the Civil Service,
9/F., West Wing, Central Government Offices,
2 Tim Mei Avenue, Tamar,
Hong Kong

Dear Mr. CHEUNG,

2016-17 Civil Service Pay Adjustment

This letter sets out the Police Force Council Staff Side's (PFC SS) response to the pay adjustment offers made to us in your letter dated 7th June 2016.

We note that the payroll costs of increments are once again deducted from the figures of the civil service pay adjustments. We are deeply disappointed that this practice has continued even though we have, on numerous prior occasions clearly explained the rationale behind the unfairness and unreasonableness of such deductions.

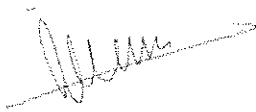
We are also disappointed that the issue of reforming the mechanism and process of the civil service pay adjustment has again not been addressed. The PFC SS has withdrawn from the Pay Trend Survey Committee (PTSC), and would not consider returning unless the Government conducts a significant review on the current pay mechanism or establish a platform on which to discuss all the six pay factors with the Staff Side.

We sincerely hope the CE-in-Council would consider our above responses when making the final decision on the 2016-17 Civil Service Pay Adjustment.

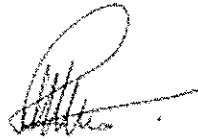
Yours sincerely,



Patrick KWOK
Chairman
SPA



James LEE
Chairman
HKPIA



Ron ABBOTT
Chairman
OIA



Joe CHAN
Chairman
JPOA

c.c. Commissioner of Police

Chinese version only

Annex D

附件 D

只附中文版

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

本函檔號：SS/DSCC/P-3 (Pt. XXIV)
來函檔號：CSBCR/PG/4-085-001/77

Room 326, East Wing,
Central Government Offices,
2 Tim Mei Avenue,
Tamar, Hong Kong
Tel. No. 2810 2703
Fax No. 2537 6937

香港添馬
添美道 2 號
政府總部西翼 9 樓
公務員事務局局長
張雲正先生, JP

張局長：

二零一六至一七年度公務員薪酬調整

謝謝你於 2016 年 6 月 7 日的來信。

紀評(職方)認為政府在決定 2016 至 2017 年度的公務員薪酬調整幅度時，應充分考慮公務員士氣、年內生活費用的變動、香港的經濟狀況(包括經濟增長)、政府財政狀況，以及職方的薪酬調整要求。

紀評(職方)對來信中提出今年的公務員薪酬加幅未完全滿意。基於現時的政治氣氛為紀律部隊人員帶來沉重的工作壓力，紀評(職方)認為一個合理的薪酬調整幅度可提升同事的士氣。

紀律部隊評議會(職方)主席

梁仲池



二零一六年六月八日

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

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

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

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

香港海關關員工會
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
Ambulancemen'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