

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 100 – MARINE DEPARTMENT Subhead 000 Operational expenses

Members are invited to recommend to the Finance Committee –

- (a) the creation of the following new ranks –

Assistant Marine Officer in the Marine Officer grade

(Master Pay Scale Points 19 - 27)
(\$35,085 - \$50,900)

Assistant Surveyor of Ships in the Surveyor of Ships grade

Engineer & Ship stream
(Master Pay Scale Points 19 - 27)
(\$35,085 - \$50,900)

Nautical stream
(Master Pay Scale Points 19 - 27)
(\$35,085 - \$50,900)

Ship stream
(Master Pay Scale Points 16 - 27)
(\$30,320 - \$50,900)

/ (b)

- (b) the revised pay scale of the Marine Officer rank of the Marine Officer grade; and
- (c) the conversion arrangement for serving civil servants in the Marine Officer rank of the Marine Officer grade,

with effect from the first day of the month immediately following the month of approval by Finance Committee or 1 August 2018, whichever is later.

PROBLEM

To implement the decisions of the Chief Executive-in-Council (CE-in-Council) on the report on the grade structure review for the Marine Officer (MO) and Surveyor of Ships (SoS) grades of the Marine Department (MD) with a view to tackling the recruitment difficulties and succession problem of the two grades, we need to make changes to the grade structure of the two grades as well as the pay scale of the MO rank, and put in place appropriate conversion arrangement for the serving staff in the MO rank.

PROPOSAL

2. We propose, with effect from the first day of the month immediately following the month of approval by Finance Committee or 1 August 2018, whichever is later, to –

- (a) create the following new ranks –
 - (i) Assistant Marine Officer (AMO) in the MO grade (Master Pay Scale (MPS) Points 19 - 27);
 - (ii) Assistant Surveyor of Ships (ASoS) in the SoS grade (MPS Points 19 - 27 for Engineer & Ship stream and Nautical stream; MPS Points 16 - 27 for Ship stream);
- (b) revise the pay scale of the MO rank of the MO grade by increasing its minimum pay by three pay points and re-positioning its existing omitted points; and

/ (c)

- (c) apply the established conversion arrangement to the serving staff in the MO rank of the MO grade.

JUSTIFICATION

3. The MO and SoS grades, with an establishment of 58 and 59 respectively in MD as at 1 March 2018, are the two core professional grades responsible for discharging the statutory functions relating to all navigational matters in the waters of Hong Kong and safety standards of all classes and types of vessels¹. Both grades consist of three ranks, i.e. the two non-directorate ranks of MO/SoS and Senior Marine Officer (SMO)/Senior Surveyor of Ships (SSoS); and the directorate rank of Principal Marine Officer (PMO)/Principal Surveyor of Ships (PSoS). The MO and SoS grades are also the two feeder grades for the senior directorate ranks in MD². At the entry rank, the SoS grade is divided into three streams, namely the Engineer and Ship stream, the Nautical stream and the Ship stream. The MO grade is not streamed. As at 1 March 2018, officers at substantive ranks of these two grades in MD include four PMOs, 13 SMOs, 21 MOs, six PSoSs, 13 SSoSs and 23 SoSs while one PMO is out-posted to the Transport and Housing Bureau and one SSoS and one SoS are out-posted to the Labour Department.

4. As officers in the MO and SoS grades are required to perform a multi-faceted professional role in maritime-related duties, candidates for appointment to the MO and SoS ranks have to possess relevant professional qualifications and working experience. Candidates for the MO, SoS(Nautical) and SoS(Engineer & Ship) posts are required to possess the professional qualification of Certificate of Competency (CoC) Class 1³ and a specified length of working experience at designated positions on ocean-going vessels. While there is no sea service requirement for candidates for the SoS(Ship) post, they have to accumulate four years of post-corporate membership experience in naval architecture to qualify for the post. The existing entry requirements of the MO and SoS ranks are at Enclosure 1. The current pay scale of MO rank is MPS Points 29 - 44, while that of SoS rank is MPS Points 34 - 44. The pay scale for both SMO and SSoS ranks is MPS Points 45 - 49.

Encl. 1

/Grade

¹ Officers in the MO grade are mainly responsible for the management and supervision of the port in Hong Kong. Major duties include regulation of marine traffic, coordination of search and rescue operations and harbour control. Officers in the SoS grade are responsible for undertaking statutory and other related duties under a number of merchant shipping ordinances that pertain to maritime safety, pollution prevention, security and seafarers' welfare and management, etc.

² The senior directorate ranks in MD are Assistant Director of Marine, Deputy Director of Marine and Director of Marine.

³ The CoC is an internationally recognised qualification and therefore a proof of a person's professional knowledge in the maritime field. The CoC Class 1 is the highest class attainable. Candidates must have worked on board ocean-going vessels at designated positions for a specified period of time and pass the relevant examinations in order to obtain the qualification.

Grade Structure Review for MO and SoS Grades

Review Findings

5. In October 2017, the Standing Commission on Civil Service Salaries and Conditions of Service (Standing Commission) published its Report No. 57 on the Grade Structure Review (GSR) for MO and SoS grades conducted at the invitation of the Government. The report is available at <http://www.jsscs.gov.hk/reports/en/57/57.pdf>. Having reviewed the manpower position (i.e. recruitment, vacancy and succession situation) and nature of duties of the two grades, the Standing Commission noted that the two grades had been facing persistent recruitment difficulties and acute succession problem. MD had not been able to recruit enough numbers of MOs and SoSs despite the adjusted entry requirement on applicant's work experience and relaxed language proficiency requirement. The vacancy rate of the MO and SoS grades at the non-directorate level remained high at 38% and 26% respectively as at 31 March 2017.

6. The Standing Commission also noted that the age of the new recruits of the MO and SoS grades was on the high side. Furthermore, with 16 of the 17 directorate officers in MD expected to retire in the coming five years and the average ages of SMOs and SSoSs at about 56 and 54 respectively, the two grades were both facing severe succession problems. The number of new intakes in the years ahead would not be sufficient to meet the normal wastage of the MO and SoS grades if the recruitment difficulties were not addressed.

7. As regards the job nature of the two grades, the Standing Commission noted that while job complexity, level of responsibilities and workload of the MO and SoS grades had increased due to changes and development in the maritime industry over the past decades, there was no fundamental change in the job nature of the two grades.

The Standing Commission's Recommendations

8. The Standing Commission recommended, and the CE-in-Council accepted, the following recommendations concerning the MO and SoS grades –

Assistant Ranks

- (a) to create a new tier of rank, namely AMO and ASoS, each for the MO and SoS grades to attract younger candidates with good potential to join MD. For entry into the AMO rank, as well as the Engineer &

/Ship

Ship stream and Nautical stream of the ASoS rank, candidates should possess a professional qualification at CoC Class 3⁴ or above and a degree in a relevant discipline. As for the Ship stream of the ASoS rank, a degree in naval architecture or related technology is required. With reference to established pay principles, the pay scales of AMO, ASoS(Engineer & Ship) and ASoS(Nautical) should be at MPS Points 19 - 27 while the pay scale of ASoS(Ship) should be at MPS Points 16 - 27. A table summarising the proposed entry requirements is at Enclosure 2. The duties of the proposed new AMO and ASoS ranks are at Enclosure 3; and

Encl. 2

Encl. 3

- (b) MD to consider meticulously the contents of the designated training programme⁵ for the AMO and ASoS ranks and obtain accreditation from relevant professional organisations before launching recruitment exercises. Newly appointed assistant rank officers should be on probation for three years or for the time taken for them to complete the training and obtain the requisite qualification, whichever is the longer, subject to a maximum of five years; and the proposed assistant ranks should form a combined establishment of 'AMO/MO' and 'ASoS/SoS'⁶;

MO Rank

- (c) to introduce a degree in a relevant discipline as an academic entry requirement for the MO rank to align it with that of the proposed AMO rank. The starting pay of the MO rank should be revised from MPS Point 29 to 32. The existing omitted points of the MO rank should be repositioned from MPS Points 31, 35 and 38 to MPS Points 34 and 38; and
- (d) to adopt normal conversion arrangement for the proposed adjustment to the pay scale of the MO rank;

SoS Rank

- (e) to reduce the post-corporate membership experience requirement of the Ship stream of the SoS rank from four to two years. The existing pay scale of SoS rank (MPS Points 34 - 44) should remain unchanged; and

/Senior

⁴ CoC Class 3 is the basic level of the qualification. In order to obtain a CoC Class 3, one should possess a minimum period of 12 months' sea-service on ocean-going vessels (depending on the remission they are entitled to) and have passed an examination.

⁵ MD shall provide designated training programmes for officers at the assistant ranks to enable them to acquire the necessary knowledge and attain the required level of competency for undertaking the full range of duties of the MO and SoS ranks respectively in due course.

⁶ For grades which have a combined establishment, there is no specific limit on the number of posts in each of the constituent ranks.

Senior Ranks

- (f) the existing pay scales of the SMO and SSoS ranks (MPS Points 45 - 49) should remain unchanged.

Creation of New Assistant Ranks

9. To attract younger candidates with good potential but who are not yet fully qualified for entry at the MO/SoS rank and to establish a route for these candidates to take up professional duties through training and gaining experience in MD, we propose adopting the recommended arrangement as set out in the Standing Commission Report No. 57 (i.e. those at Enclosure 2 and paragraphs 8(a) and (b) above) to create the assistant ranks (i.e. AMO and ASoS for the MO and SoS grades respectively). The AMO and ASoS ranks will form a combined establishment of AMO/MO and ASoS/SoS and recruitment exercises will be conducted for both the AMO/ASoS and MO/SoS ranks. Under this dual track of recruitment, we will be able to cast a wider net in trawling suitable candidates to join the two grades so as to tackle the recruitment difficulties.

10. The AMOs and ASoSs recruits will undergo designated training programmes in MD and be responsible for duties at the assistant professional level of the respective grade. The designated training programmes will include academic and on-the-job training as well as industry attachment opportunity. It will take about four years and will enable the AMO and ASoS to gain the required professional and occupational competency. The designated training programmes for AMO and ASoS(Nautical) have been accredited by the Institute of Marine Engineering, Science and Technology, an international professional body and learned society for marine professionals, while those for ASoS(Engineer & Ship) and ASoS(Ship) have been approved by the Hong Kong Institution of Engineers, an engineering society of Hong Kong to promote the advancement of engineering and to facilitate the exchange of knowledge and ideas. Upon successful completion of the designated training programmes, obtaining the requisite professional status to be awarded by the relevant institutes and fulfilling the other criteria for promotion, AMOs and ASoSs are eligible for consideration for promotion to the MO and SoS ranks respectively. Through training and gaining experience in MD, staff in the AMO and ASoS ranks will be groomed to take up professional duties of their respective grade, thus help resolving the succession problem of MD in the longer run.

Revision of Pay Scale of the MO Rank

11. Currently, there is no academic qualification specified for entry to the MO rank. Considering that it is an international trend to upgrade the academic qualification requirement for port authority officials to the degree level which is

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also commensurate with the job requirements of the MO grade, it is essential to pitch the academic qualification requirement for the MO rank at the level of a degree in a relevant discipline to align with that of the AMO rank.

12. To improve the starting pay of the MO rank so as to help alleviate the serious and persistent recruitment difficulties, while at the same time to tie in with the proposal to raise the entry requirement of the MO rank, the Standing Commission recommended and the CE-in-Council accepted that –

- (a) the starting pay of the MO rank should be increased from MPS Point 29 to 32, while its maximum pay point should remain unchanged at MPS Point 44; and
- (b) the existing three omitted points at MPS Points 31, 35 and 38 on the pay scale of the MO rank should correspondingly be repositioned to MPS Points 34 and 38.

Encl. 4 13. The proposed pay scale for the MO rank is set out at Enclosure 4.

Normal Conversion Arrangement

14. When advising on the conversion arrangement for the incumbent staff given the proposed increase in the starting pay of the MO rank, the Standing Commission recommended, in accordance with established practice, that the normal conversion arrangement should be adopted. The overriding principle is that no one should receive less pay on conversion to the new scale. In the present case where only the minimum of the pay scale of the MO rank is raised (from MPS Point 29 to 32) and the maximum (at MPS Point 44) remains unchanged, the normal conversion arrangement provides that (a) where a civil servant's pay is less than the minimum of the revised scale, he should receive the new minimum; and (b) where a civil servant's pay is equivalent to or above the new minimum, he should advance to the next point on the revised scale subject to this not being above the scale maximum. Details on the conversion arrangement, as decided by the CE-in-Council to be adopted for the MO rank, are shown in Enclosure 5.

Encl. 5

ALTERNATIVES CONSIDERED

15. We have critically examined the recruitment difficulties and succession problem for the MO and SoS grades and have actively explored feasible measures to address them. For example, we have tried to attract more candidates by granting incremental credit for experience and arranging back-to-back recruitment

/exercises

exercises, etc. Nevertheless, the situation had not improved. We conclude that there is no viable alternative but to implement the proposed changes to the grade structure of the two grades as well as the pay scale of the MO rank, and the normal conversion arrangement for serving officers in the MO rank.

FINANCIAL IMPLICATIONS

16. The financial implications will be around \$10.9 million⁷ per year which include the adoption of normal conversion arrangement for the adjustment to the pay scale of the MO rank in the form of additional payroll cost to the civil service per year; training-related expenses; and the creation of additional posts to strengthen the manpower of the AMO/MO and ASoS/SoS ranks and to support the training and development of the officers in the MO and SoS grades.

17. MD has included the necessary provision in the 2018-19 draft Estimates and will reflect the resources required in the Estimates of subsequent years.

PUBLIC CONSULTATION

18. We consulted the Legislative Council (LegCo) Panel on Public Service (PS Panel) on two occasions, i.e. on the Standing Commission's GSR recommendations published in its Report No. 57 on 22 December 2017; and on the CE-in-Council's decision on 13 April 2018⁸. Members present supported the Standing Commission's recommendations on the GSR for MO and SoS grades in general.

19. During the entire GSR process, we have maintained close contact with the staff side of the MO and SoS grades through the two relevant staff associations (i.e. the Hong Kong Marine Department Local Professional Officers' Association and the Marine Officers Association). After the Standing Commission published its Report No. 57 in October 2017, the two staff associations welcomed the Standing Commission's recommendations on the GSR for MO and SoS grades. The two staff associations also wrote to the PS Panel in December 2017, expressing their full support for the Standing Commission's recommendations and their wish for the recommendations to be implemented as soon as possible.

/BACKGROUND

⁷ This estimate has not included the increase in allowances pegged with monthly salary.

⁸ Members of the LegCo Panel on Economic Development and all other LegCo Members were invited to join the two meetings.

BACKGROUND

20. On 28 December 2016, the Government invited the Standing Commission to conduct a GSR for the MO and SoS grades in MD which are facing recruitment difficulties and succession problem. The Standing Commission submitted its report to the Chief Executive on 31 October 2017. The CE-in-Council decided on the recommendations in the GSR report at its meeting held on 13 February 2018.

ESTABLISHMENT CHANGES

21. The establishment changes in MD for the past two years are as follows –

Establishment (Note)	Number of Posts		
	Existing (as at 1 April 2018)	As at 1 April 2017	As at 1 April 2016
A	22+(3) [#]	22+(3)	22+(3)
B	187	183	185
C	1 232	1 205	1 186
Total	1 441+(3)	1 410+(3)	1 393+(3)

Note:

A - ranks in the directorate pay scale or equivalent

B - non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent

C - non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent

() - number of supernumerary directorate posts

- as at 1 April 2018, there was no unfilled directorate post in MD

CIVIL SERVICE BUREAU COMMENTS

22. The Civil Service Bureau supports the proposed creation of the new AMO rank in the MO grade and the new ASoS rank in the SoS grade, with the pay scale of AMO, ASoS(Engineer & Ship) and ASoS(Nautical) pitched at MPS Points 19 - 27 and that of ASoS(Ship) at MPS Points 16 - 27. It also supports the proposed increase of the minimum pay point of the MO rank from MPS 29 to 32; repositioning of the existing omitted points of the MO rank from MPS points 31, 35 and 38 to MPS points 34 and 38; and the adoption of the normal conversion arrangement for serving MOs. The proposed ranking and pay scales are considered appropriate having regard to the level and scope of the responsibilities required.

/ADVICE

**ADVICE OF THE STANDING COMMISSION ON CIVIL SERVICE
SALARIES AND CONDITIONS OF SERVICE**

23. The proposals follow the recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service.

Transport and Housing Bureau
April 2018

**Existing Entry Requirements of
Marine Officer and Surveyor of Ships Ranks**

*(Extracted from Report No. 57 of the Standing Commission on Civil Service
Salaries and Conditions of Service
'Grade Structure Review for Marine Officer and Surveyor of Ships Grades')*

Marine Officer Rank	
Stream	Entry requirements –
-	(a) a Certificate of Competency (CoC) (Deck Officer) Class 1 (Master Mariner); and (b) one year's experience as Chief Officer or above on a sea-going ship.
Surveyor of Ships Rank	
Stream	Entry requirements –
Engineer & Ship	(a) (i) a degree in engineering or technology relevant to the work of the surveyor of ships; or a corporate membership of an engineer institution by examination acceptable to the Director of Marine (D of M); and a CoC (Marine Engineer Officer) Class 1; or (ii) a CoC as Extra First Class Marine Engineer Officer; or (iii) a degree in mechanical/marine engineering or equivalent; a corporate membership of an engineer institution acceptable to the D of M; and a CoC (Marine Engineer Officer) Class 2; and (b) for candidates having qualifications as stipulated in – (i) (a) (i) and (ii) above, two years' experience at the rank of second engineer or above on sea-going ships or at equivalent responsible levels in the maritime engineering related industry; or

/Stream

Stream	Entry Requirements –
	(ii) (a) (iii) above, four years' experience at the rank of second engineer or above on sea-going ships or at equivalent responsible levels in the marine engineering related industry.
Nautical	(a) (i) an Extra Master's CoC; or (ii) a degree in nautical studies or related subject acceptable to the D of M; and a CoC (Deck Officer) Class 1 (Master Mariner); and (b) two years' experience at the rank of the Chief Officer or above on sea-going ships or at equivalent responsible levels in the nautical related industry.
Ship	(a) a degree in naval architecture or related technology acceptable to the D of M; (b) a corporate membership of a naval architect institution acceptable to the D of M; and (c) four years' relevant experience after obtaining corporate membership.

Proposed Entry Requirements of Assistant Ranks

*(Extracted from Report No. 57 of the Standing Commission on Civil Service
Salaries and Conditions of Service
'Grade Structure Review for Marine Officer and Surveyor of Ships Grades')*

Assistant Marine Officer Rank	
Stream	Entry requirements –
-	(a) a Certificate of Competency (CoC) (Deck Officer) Class 3 or above; and (b) a degree in a relevant discipline or a qualification which satisfies the academic requirements for Chartership of the Institute of Marine Engineering, Science and Technology (IMarEST) ¹ .
Assistant Surveyor of Ships Rank	
Stream	Entry requirements –
Engineer & Ship	(a) a CoC (Marine Engineer Officer) Class 3 or above; and (b) a degree in a relevant engineering discipline or a qualification which satisfies the academic requirements for Corporate Membership of the Hong Kong Institution of Engineers (HKIE) ² .
Nautical	(a) a CoC (Deck Officer) Class 3 or above; and (b) a degree in a relevant discipline or a qualification which satisfies the academic requirements for Chartership of the IMarEST.
Ship	A degree in naval architecture or related technology, or a qualification which satisfies the academic requirements for Corporate Membership of the HKIE.

¹ IMarEST is an international professional body and learned society for marine professionals. It provides grades of membership for those seeking to become chartered or gain other professional recognition.

² HKIE has its mission of promoting the advancement of engineering and to facilitate the exchange of knowledge and ideas. It provides a broad range of services to members, including the award of various classes of membership.

Enclosure 3 to EC(2018-19)3

**Duties of the Proposed Assistant Marine Officer and
Assistant Surveyor of Ships Ranks**

Rank	Description of work
(a) Assistant Marine Officer	<ul style="list-style-type: none">• controlling and regulating ports, shipping and local craft, public cargo working areas and ferry terminals; co-ordinating search and rescue operations in the region;• managing government fleet operations and district marine offices;• planning the development of the port;• assisting in providing training to staff under the Marine Department and others;• combating marine pollution; and• providing harbour mooring services and hydrographic charting services.
(b) Assistant Surveyor of Ships	<ul style="list-style-type: none">• statutory and other related duties under the Merchant Shipping Ordinances pertaining to maritime safety, pollution prevention, security, seafarers welfare and management including casualty investigations and audit on Hong Kong registered ships and their companies;• for <i>the Engineer and Ship stream</i>, duties as a marine engineer consultant or manager for the Government on the construction of new vessels and maintenance of the government fleet; assisting in the conduct of examination for marine engineer officers' certificates of competency; and undertaking statutory and other related duties under the Boiler and Pressure Vessels Ordinance.• for <i>the Nautical stream</i>, duties as a nautical consultant for the Government and assisting in the conduct of examination for deck officers' certificates of competency.• for <i>the Ship stream</i>, duties as a naval architect for the Government on the construction of new vessels and maintenance of the government fleet.

**Existing and Proposed Pay Scales of Marine Officer Rank
of Marine Officer Grade**

Marine Officer Grade

	Existing Pay Scale	Proposed Pay Scale
Marine Officer Rank	MPS Points 29-44 (\$55,825-\$101,070) [omitted points at MPS 31, 35 and 38]	MPS Points 32-44 (\$64,055-\$101,070) [omitted points at MPS 34 and 38]

**Conversion Arrangement for Marine Officer Rank
of Marine Officer Grade**

<u>Existing Pay Scale</u>		<u>Proposed Pay Scale</u>
MPS 44	→	MPS 44
MPS 43	→	MPS 43
MPS 42	→	MPS 42
MPS 41	→	MPS 41
MPS 40	→	MPS 40
MPS 39	→	MPS 39
MPS 38 (omitted point)	→	MPS 38 (omitted point)
MPS 37	→	MPS 37
MPS 36	→	MPS 36
MPS 35 (omitted point)	→	MPS 35
MPS 34	→	MPS 34 (omitted point)
MPS 33	→	MPS 33
MPS 32	→	MPS 32
MPS 31 (omitted point)	→	
MPS 30	→	
MPS 29	→	

MPS: Master Pay Scale

Note: In line with the usual practice, where the pay after conversion is higher than the pay before conversion by **two** pay points or more (omitted points inclusive), the incremental date of the staff concerned will be realigned to the effective date of implementing the new pay scale.
