

立法會
Legislative Council

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**Establishment Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 6th meeting
held at the Legislative Council Chamber
on Wednesday, 12 January 2000, at 10:45 am**

Members present:

Dr Hon Philip WONG Yu-hong (Chairman)
Dr Hon David LI Kwok-po, JP
Hon Margaret NG
Hon MA Fung-kwok
Hon CHAN Kwok-keung
Hon Bernard CHAN
Hon CHAN Wing-chan
Dr Hon LEONG Che-hung, JP
Hon Andrew WONG Wang-fat, JP
Hon Jasper TSANG Yok-sing, JP
Hon Howard YOUNG, JP
Hon YEUNG Yiu-chung
Hon CHOY So-yuk
Hon SZETO Wah

Members absent:

Hon NG Leung-sing (Deputy Chairman)
Hon Michael HO Mun-ka
Ir Dr Hon Raymond HO Chung-tai, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon CHEUNG Man-kwong
Hon Emily LAU Wai-hing, JP

Public officers attending:

Mrs Carrie LAM, JP	Deputy Secretary for the Treasury
Mr D W PESCOD, JP	Deputy Secretary for the Civil Service
Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Ms Cecilia YEN	Principal Assistant Secretary for the Civil Service
Mr Geoffrey WOODHEAD	Principal Assistant Secretary for Planning and Lands (Buildings)
Mr M J BYRNE	Principal Assistant Secretary for Works
Mr LAU Yiu-wah, JP	Assistant Director of Buildings
Mrs Janet HUI	Chief Building Surveyor, Buildings Department
Mr J B MASSEY, JP	Assistant Director of Civil Engineering
Mr Gary YEUNG	Principal Assistant Secretary for Planning and Lands (Lands)
Mr I J MACNAUGHTON	Assistant Director of Lands
Mr C K WONG	Chief Geotechnical Engineer, Lands Department
Mr J A MILLER, JP	Director of Housing
Mr Marco WU, JP	Deputy Director of Housing
Miss Jennifer MAK, JP	Director Corporate Services Housing Department

Clerk in attendance:

Miss Polly YEUNG	Chief Assistant Secretary (1)3
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Staff in attendance:

Ms Pauline NG	Assistant Secretary General 1
Ms Sarah YUEN	Senior Assistant Secretary (1)4

**EC(1999-2000)27 Proposed deletion of 80 obsolete ranks in 17
Bureaux/Departments and various obsolete
departments**

In reply to Mr CHAN Wing-chan on why the ranks of "Principal and Vice-Principal, Technical Institute" and "Registrar and Assistant Registrar of Trade Unions" had become obsolete, the Deputy Secretary for the Civil Service (DS(CS)) explained that such obsolescence had resulted from changes in Government structure. As a result of the establishment of the Vocational Training Council (VTC), most of the former staff of technical institutes

including the Principal and Vice-principals, were transferred to VTC. As some of the staff concerned had chosen to retain their civil servant status, certain posts in these ranks had been retained until the post-holders left the civil service upon retirement or transfer. As regards the ranks of the Registrar and Assistant Registrar of Trade Unions, they had become obsolete as a result of the incorporation of the Registry of Trade Unions into the Labour Department upon which the aforesaid ranks were merged with the relevant ranks of the Labour Officer grade. Since some post-holders in the registrar ranks had declined to be so included, their posts had been retained until they left the civil service. Now that as a result of natural wastage, all post-holders in both ranks had left the civil service, the Administration was seeking to formally delete these ranks.

2. The item was voted on and endorsed by the Subcommittee.

EC(1999-2000)28 Proposed revision of the civil service starting salaries for the civilian and disciplined grades which will apply to recruits appointed on or after 1 April 2000 and serving staff on in-service transfer with effect from the same date

3. Mr CHAN Wing-chan was concerned that the proposed reduction in civil service starting salaries following the 1999 Civil Service Starting Salaries Review (the Review) undertaken by the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) would pioneer a downward trend for salaries in the private sector. In response, DS(CS) stressed that instead of taking the lead, the Government was only seeking to ensure that civil service starting salary levels were in step with private sector entry pay, and the changes proposed had in fact been based on the results of the pay comparison survey conducted to collect such data in the private sector.

4. Some members considered the proposal unfair as it had been targeted at the lower ranks but not those at the senior level. Mr CHAN Wing-chan was concerned that civil servants' morale would be affected as in future, staff performing the same duties would be receiving different salaries. Miss Margaret NG stated that in principle, she was not against bringing civil service pay more in line with the pay in the private sector. However, it was unfair that only the entry ranks, but not the higher ranks, were subject to pay cut.

5. In response, DS(CS) clarified that the proposed reduction in entry salaries would affect the entry ranks of all grades ranging from the clerical to administrative and professional grades alike. The adjustment in starting salaries was therefore not only targeted at those in the lower pay bands. In fact, the greatest impact would be on the grades with entry at a higher pay point where the reduction could be as high as 31%. He pointed out that a number of proposals put forward in the Civil Service Reform such as voluntary retirement would also

apply only to the senior levels.

6. Miss Margaret NG stressed that it was unfair to focus on the starting salaries of entry ranks rather than the entire grade including those on the upper end of the salary structure. Mr Andrew WONG was also of the view that the pay scales of the whole civil service should be reviewed. He pointed out that with an overhaul of the salary scales, adjustments could apply to new recruits on appointment as well as to serving staff through pay freezes. Whilst he recognized that in political reality, there might be difficulties to bring in changes to the current pay scales, he could not support the present proposal because it was not logical.

7. In response, DS(CS) pointed out that the focus of the Review in question was only on starting salaries. Hence, no data was available on which to base a review of civil service salaries in their entirety. Moreover, in reviewing salaries above the entry level, there was a need to look at not only education qualifications, but also many other factors such as retention and promotion factors, training, and opportunities for career advancement. A comprehensive salary review would thus take at least two years to complete requiring a grade-by-grade analysis of the 300-odd grades in the Government. By the time this was completed, the data might be out-dated as in the case of the last review conducted in the mid-1980s the results of which had therefore not been taken forward. As such, the Administration considered it more appropriate to undertake reviews of salaries above entry rank on a grade by grade basis so that any anomalies between individual grades and their equivalent in the private sector could be dealt with effectively. DS(CS) further advised that the Administration had taken up the review on the starting salaries as a first step as there was more readily available information to make direct comparison with the private sector, and there was public concern that the starting salaries for certain civil service posts might be out of step with those of the private sector.

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8. Miss Margaret NG requested details of the Administration's time-frame for the salary review on a grade by grade basis. In response, DS(CS) advised that at present, 15 grades had submitted requests for review. These could be taken forward in the next few months using established mechanisms. At Miss NG's request, he agreed to provide more detailed information on the timing and ranks covered in the grade reviews after the meeting.

9. Mr Andrew WONG queried that while adjustments to other grades had been confined to their starting salaries, the assistant ranks under Qualification Group (QG) 11/12 (Professional and Related Grades) would have their maximum pay point reduced by the same magnitude as well. In reply, DS(CS) advised that the move was necessary to preserve the pay relativity between the assistant and the benchmark ranks so as to achieve the objective of encouraging officers at the assistant ranks to obtain the professional qualification required for promotion to the benchmark rank within a reasonable period of time.

10. As to the extent and outcome of consultation on the proposed changes, DS(CS) reported that the Administration had conducted a series of consultation sessions not only with individual civil service unions but also with department/grade management. He also pointed out that the unions were consulted as early as when the Standing Commission was still considering the results of the Review. As such, all concerned parties within the civil service were aware of the proposals and had the opportunity to comment on them before they were finalised.

11. In this connection, Mr SZETO Wah considered the consultation exercise incomplete as the Hong Kong Professional Teachers' Union (HKPTU) had been left out in the consultation. In his view, HKPTU should be consulted because its members included teachers in both Government and aided schools who would likewise be affected by the proposal. He said that he could not support the present proposal.

12. In response, DS(CS) explained that the Review was essentially an across-the-board review aimed at tackling a particular problem rather than directed at individual grades. As such, the Administration had not consulted any particular professional grade or its union apart from those civil service unions already within the established consultation mechanism. He also reported that views collected were not confined to any particular grade as such, but were on general issues such as the relativity between grades, equity across the board and how salary on transfer would be affected.

13. In reply to Mr YEUNG Yiu-chung on why the starting salaries of education grades (QG 15) would be determined having regard to established relativity with civil service QG 4 and QG 13, DS(CS) advised that where external analogues were not available for useful comparison, the established practice was to draw comparison to other civil service grades requiring the same entry qualifications. In the case of education grades, the relative groups would be QG4 (Higher Diploma, Diploma and Related Grades Group I) and QG 13 (Degree and Related Grades).

14. At Mr SZETO Wah's request to elaborate on how the new starting salaries would apply to serving staff on in-service transfer, DS(CS) explained that the new starting salary for the transfer grade would be used as the reference point, so that most officers on transfer to another grade, except those transferred to a more junior grade, would receive at least the minimum pay of the transfer grade or retain their existing pay, plus possibly one increment, whichever was higher. DS(CS) informed members that this arrangement had been the on-going practice for the past few years and the Administration was only seeking to formalise it for enhancing transparency.

15. Regarding Mr SZETO's request for a conversion table in this regard, DS(CS) pointed out that it would be very difficult to provide a general

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conversion table because transfer could be between any grades and individual circumstances varied. As such, the table could never be exhaustive. He however assured members that every serving staff member on in-service transfer would be given details on the terms of transfer and how it would affect him in salary terms having regard to his particular circumstances. For illustration purpose, he undertook to provide for members' reference examples on the relevant process after the meeting.

16. In reply to Mr CHAN Wing-chan's enquiry on when the Review would be conducted again, DS(CS) confirmed that as recommended by the Standing Commission, benchmark reviews would be conducted every three to four years with an annual updating in the interim to ascertain the continuing broad comparability of civil service entry salaries with private sector pay.

17. The item was put to vote. One member voted for the item, nine voted against and one abstained.

For:

Mr Howard YOUNG
(1 member)

Against:

Dr David LI Kwok-po
Mr MA Fung-kwok
Mr CHAN Kwok-keung
Mr Bernard CHAN
Mr Andrew WONG Wang-fat
Mr Jasper TSANG Yok-sing
Mr YEUNG Yiu-chung
Miss CHOY So-yuk
Mr SZETO Wah
(9 members)

Abstention:

Miss Margaret NG
(1 member)

18. The item was negated by the Subcommittee.

EC(1999-2000)29

Proposed conversion of one supernumerary post of Chief Building Surveyor (D1) in the Buildings Department to a permanent post to head the Slope Safety Section

19. The item was voted on and endorsed by the Subcommittee.

EC(1999-2000)30 **Proposed conversion of one supernumerary post of Chief Geotechnical Engineer (D1) in the Lands Department to a permanent post to head the Slope Maintenance Section**

20. The item was voted on and endorsed by the Subcommittee.

EC(1999-2000)31 **Proposed re-organisation and the resultant directorate restructuring of the Housing Department; and retention of four supernumerary directorate posts of one Deputy Director of Housing (D4) and one Assistant Director of Housing (D2) for one year, one Principal Executive Officer (D1) and one Chief Housing Manager (D1) for two years to meet new service needs and to enhance operational efficiency**

21. The item was voted on and endorsed by the Subcommittee. Mr CHAN Kwok-keung objected to the proposal.

22. The Subcommittee was adjourned at 11:20 am.