

Legislative Council Public Services Panel

Starting Salaries Review Implications for the Disciplined Services

INTRODUCTION

This paper informs Members of the recommendations of the Standing Committee on Disciplined Services Salaries and Conditions of Service's (SCDS) on how the results of the Starting Salaries Review should be applied to the disciplined services.

BACKGROUND

2. In view of public concern that the starting salaries for certain civil service jobs might be out of line with that of the private sector, the Standing Commission on Civil Service Salaries and Conditions of Service's (Standing Commission) was invited to undertake an independent review of the existing civil service starting salaries -

- (a) to ascertain if entry pay remains comparable with pay in the private sector for similar qualifications; and
- (b) in the light of the findings, to recommend -
 - (i) whether adjustments to the qualification benchmarks or entry pay levels are called for; and
 - (ii) ways and means to ensure the continuing broad comparability between civil service entry pay and pay in the private sector for similar qualifications.

3. On 20 July 1999, the Administration issued the Standing Commission's report on Starting Salaries Review and the proposed pay package for recruits to the civil service to the Staff Sides and department/grade management. A Legislative Council Brief was issued on the same day and the a briefing for the Public Services Panel was held on 22 July. As the Standing Commission's recommendations are confined to the civilian grades, the report has been passed to SCDS to advise the Administration on whether, and if so, how,, the results of the review should be further applied to starting salaries in the disciplined services grades. SCDS has now submitted its recommendations, a copy

of which is at the Appendix.

SCDS'S RECOMMENDATIONS

4. Having regard to the views of the disciplined services management and staff, SCDS has made the following recommendations -

- (a) (a) some adjustment to the starting salaries of recruits entering the disciplined services would be justified in order to maintain a broad comparability with the rest of the civil service; and
- (b) (b) the pay advantage which the disciplined services now enjoy in recognition of "special factors" and "job factors" should not be reduced.

5. In arriving at the new starting salaries, SCDS -

- (a) confined adjustment to that element of disciplined services pay based on academic qualification benchmarks;
- (b) concentrated on the two usual reference pay points, i.e. Matriculation for officers and School Certificate for the rank and file, and adjusted other entry points for recruits in step;
- (c) used the Inspector of Police and Police Constable as the reference point for the officers and rank and file respectively in adjusting the entry pay of the other six disciplined services; and
- (d) brought the salary adjustments as closely in line with existing relativities between the seven disciplined services as possible.

The revised starting salaries of the disciplined services are set out at Annex A to the Appendix.

6. SCDS has also supported in principle the proposal to delink the benchmark from the annual pay trend adjustment and the proposed benchmark review mechanism.

WAY FORWARD

7. As SCDS's recommendations are broadly in line with those of the Standing Commission for the civilian grades, we will on this basis proceed to discuss with department/grade management and staff representatives. On the civilians side, we have already had a round of meetings with department management and staff representatives since the release of the Standing Commissions' recommendations.

8. After the consultation, we will revert to the Executive Council on the revised starting salaries of the civilian and disciplined grades for final approval. At the moment, we aim to implement the revision when the current freeze in civil service recruitment is lifted.

Civil Service Bureau
October 1999

紀律人員薪俸及服務條件常務委員會的信頭
Letterhead of Standing Committee on Disciplined Services Salaries and Conditions of Service

Appendix

本會檔號 Our Ref. SCDS/POL/QB/1 (CR)IV
尊函檔號 Your Ref.

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29 September 1999

The Honourable TUNG Chee Hwa
The Chief Executive of the
Hong Kong Special Administrative Region
of the People's Republic of China
Chief Executive's Office
Hong Kong

**Civil Service Starting Salaries Review -
Implications for the Disciplined Services**

Submission from the Administration

We have recently considered, under item I(b) of our Terms of Reference, a submission from the Administration requesting the Standing Committee to advise whether, and if so how, the results of the Standing Commission on Civil Service Salaries and Conditions of Service's Report No. 36 on the Civil Service Starting Salaries Review 1999 should be applied to starting salaries in the Disciplined Services.

Our Advice

2. We have concluded that -
 - (a) in order to maintain a broad comparability with the rest of the Civil Service, some adjustment to the starting salaries of new recruits entering the Disciplined Services would be justified; but
 - (b) it is essential that the pay advantage which the Disciplined Services now enjoy in recognition of 'special factors' and 'job factors' should not be reduced and that relativities between the seven services should be maintained as far as possible.

Annex A

We therefore recommend that starting salaries should be adjusted as indicated in the table at Annex A, with effect from whichever date is selected for introducing new starting salaries in the rest of the Civil Service.

Background and Argument

A. Letter from the Administration

Annex B

3. A copy of the letter dated 20 July 1999 from the Secretary for the Civil Service setting out the question on which we were asked to advise is at Annex B. The letter makes it clear that -

- (a) the Administration recognises “*that there are differences between the disciplined services and the rest of the civil service*” and that “*these must be considered carefully*”; and
- (b) current salaries should be looked at “*on an ‘as is’ basis : i.e. that special factors which may have resulted in entry levels for individual grades departing from benchmark levels should be taken to apply in the current Review.*”

B. Consultation with the Disciplined Services

4. Before reaching any conclusions, the Standing Committee was anxious to listen to the views of the management and staff of the Disciplined Services. To this end we held meetings with the management sides on 26 July and the staff sides of the Disciplined Services Consultative Council, the ICAC Staff Consultative Committee and the Police Force Council on 3 August. We later had some further informal discussions and received a number of written submissions.

5. The opinions expressed can be summarized as follows -

- (a) There was a general acceptance that it would be hard to justify leaving disciplined services starting salaries as they are in the light of the findings of the Standing Commission’s Report No. 36 and against the background of the economic difficulties now affecting the Hong Kong community. However, there was a strong desire to ensure that existing pay relativities are maintained - both between the Disciplined Services and the rest of the Civil Service and between the seven services themselves. Above all, it was considered absolutely essential that the element in disciplined services pay which takes account of special/job factors should not be eroded. However, there was something of a difference of view on how this might best be achieved.

- (b) The management of the General Disciplined Services (Correctional Services Department, Customs and Excise Department, Fire Services Department, the Government Flying Service and Immigration Department) were opposed to a pro rata adjustment, extrapolated from the Standing Commission's recommendations, because they believed that this would not take account of the special factors. They therefore called for a separate, independent, review. The ICAC and the Police, though, were content with the concept of a pro rata adjustment, provided that existing relativities were maintained.
- (c) The Staff Side of the Disciplined Services Consultative Council made it clear that they considered that academic qualifications were just one of the factors identified as components in the salaries of the Disciplined Services and that therefore any direct application of the recommendations of Report No. 36 would not be appropriate. Like their management side, they called for an overall review of disciplined services starting salaries, covering all relevant factors not simply qualification benchmarks. The ICAC Staff Consultative Committee Staff Side were worried that adjustments to starting salaries would undermine morale and hamper the recruitment of high quality staff, but their chief concern was that if, as seemed inevitable, there had to be adjustments then these should not leave ICAC at a disadvantage vis-a-vis the other disciplined services, particularly the Police. The Police Force Council Staff Side did not wish to see any changes to the existing Police Pay Scale. They considered that strict adaptation of salary reductions, based on academic qualifications, to the starting salaries of recruit PCs and Inspectors would not be appropriate. They believed that other job factors had to be taken into account in any salary adjustment and that there was a case for a full-scale review.
- (d) There was a universal belief, expressed in the most trenchant terms, that the starting salaries of the Disciplined Services should not be adjusted if Assistant Hawker Control Officers' salaries remained unchanged.

These concerns were at the forefront of our minds during our subsequent deliberations.

C. Other Factors

6. The Standing Committee faced a number of constraints when considering how to respond to the Administration's request for advice. These included -

- (a) The need to maintain inter-departmental relativities - all seven services had very strong views on this, but the different disciplined services pay scales (General Disciplined Services, Independent Commission Against

Corruption and Police), with their different intervals between pay points, made it easier said than done.

- (b) The parallel need to try to preserve **internal** relativities, within departments, as far as possible - but this was practically impossible given the wide difference in the reductions recommended by the Standing Commission for the matriculant and school certificate qualification groups, which are the usual reference points for officers and rank and file respectively.
- (c) The importance of retaining 'broad comparability' with the rest of the Civil Service.
- (d) The requirement that adjustments ought only to affect basic entry points on the scales - and the Administration's request that we "*look at current salaries on an 'as is' basis*".
- (e) Time - the request that we submit our recommendations by the end of September.

D. Methodology

7. In response to the Administration's question as to '**whether**' the Standing Commission's recommendations should be applied to the Disciplined Services, we were clear that some adjustments **would** be needed - disciplined services salaries have traditionally moved broadly in step with the Civil Service as a whole, for instance in the annual pay adjustment and in the case of the adjustments to rank and file pay which we recommended to take account of new benchmarks introduced following the Standing Commission's Second Report on the 1989 Salary Structure Review. However, it was plain that the question of '**how**' adjustments should be effected would be more difficult.

8. We concentrated our examination of 'how' within the following parameters -

- (a) any adjustment should be confined to that element of disciplined services pay based on academic qualification benchmarks;
- (b) that element of pay which recognised the special/job factors should be preserved intact (in line with the Administration's direction outlined in paragraph 3(b)); and
- (c) the calculations should concentrate on the two usual reference pay points, i.e. Matriculation for officers and School Certificate for the rank and file, and other entry points for recruits with higher or lower academic

qualifications (e.g. Higher Diploma, Degree, below HKCEE, etc.) should then be adjusted in step.

9. In the light of these parameters and the factors outlined above, we arrived at the following basic formula -

- (1) **Existing salary - existing benchmark = element of salary relating to special/job factors (A).**
- (2) **A + new benchmark recommended in Report No. 36 = new starting salary** (pegged to the nearest existing pay point).

10. We chose Police Inspector (IP) as the reference point for officers and Police Constable (PC) as the reference point for the rank and file and adjusted the starting salaries of the officers and rank and file of the other six services in line with them as follows -

- (1) (a) **Police Inspector** (with 2A 3O):
 - (i) **\$30,050** (existing salary) - **\$15,160** (existing benchmark)
= **\$14,890** (salary relating to existing special/job factors) (A)
 - (ii) **A + \$10,420** (new benchmark)
= **\$25,310** (**\$25,580** pegged to the nearest pay point (PPS 19))
- (b) **Police Constable** (with 5Es in HKCEE):
 - (i) **\$15,995** (existing salary) - **\$9,785** (existing benchmark)
= **\$6,210** (salary relating to existing special/job factors) (A)
 - (ii) **A + \$9,180** (new benchmark)
= **\$15,390** (**\$15,520** pegged to the nearest pay point (PPS 2))
- (2) The starting salaries of comparable grades/ranks (e.g. Station Officer in relation to IP and Fireman in relation to PC) were then derived from the following formula to the nearest pay point -

$$\text{New Police starting salary} \times \frac{\text{Existing comparable rank starting salary}}{\text{Existing Police starting salary}}$$

- 6
- (3) The starting salaries of 'non-comparable ranks' (e.g. Aircraft Engineer, GFS) were derived by a direct application of the formula in paragraph 9.

The existing and the proposed starting salaries of the Disciplined Services are shown in Annex A, with the revised pay scales and a salary comparison table as appendices.

11. We believe the advantages of this approach are that -
- (a) the salary adjustments are brought as closely in line with existing relativities as possible; and
 - (b) the dollar-value pay advantage which the Disciplined Services have over their civilian counterparts is broadly maintained - the element in starting salaries which recognises special/job factors has been left untouched, thus addressing the principal concern the Services have expressed.

We are aware, of course, that our proposals change the existing ratio between the academic qualifications element and the special/job factors element in disciplined services salaries, but this is unavoidable if the latter is to be maintained - which it must be. We are also conscious that the pay advantage over civilian benchmark salaries is increased in percentage terms.

E. Anomalies

Annex C

12. Some anomalies inevitably came to light. Those we identified we have addressed in the manner set out in Annex C.

F. The Problem of Internal Relativities

13. Some heads of department were worried that, if adjustments in line with the Standing Commission's findings were applied to the Disciplined Services, new officers' salaries would be reduced by much more than those of recruits to the rank and file, while their relative responsibilities remained unchanged. Their concern was shared by the Staff Sides of the Disciplined Services Consultative Council and the Police Force Council.

14. This of course applies with equal force in the rest of the Civil Service where, for instance, the Standing Commission's findings would lead to the starting pay of a (graduate) Executive Officer II falling by five points while that of a (school certificate) Assistant Clerical Officer fell by only one, although their relative levels of responsibility remain exactly the same.

15. It is hard to see a way round this problem, which is a product of 'supply and demand' in the private sector. Means to overcome it have been examined, but none were really workable. Perhaps all we can do is point out that in the Disciplined

Services, where ranks necessarily loom larger than in the rest of the public service, this problem of internal relativities will, at very least, be the source of some awkwardness.

16. What would be more anomalous would be to have a newly joined officer drawing a lower salary than his newly joined subordinate. In one case where this might have occurred we have recommended adjustments to avoid it (paragraph (1)(b) of Annex C refers).

17. The related question, raised by some heads of department, of **new** officers being paid less than the bottom point on the pay scale of **servicing** senior rank and file personnel (e.g. Police Station Sergeants, Principal Firemen, etc.) appears to us to be somewhat less problematical. Overlaps already occur on the pay scales, and, after all, an experienced 'senior NCO' is generally of more value than a newly-joined young officer.

G. Future Review Mechanism

18. We see the merits of the measures proposed in the Standing Commission's Report No. 36 (Chapter 5) to ensure that the new benchmarks and starting salaries stay in line with private sector pay for similar qualifications in future, i.e. -

- (a) delinking the benchmarks and starting salaries from the effect of the annual pay trend survey and from the Master Pay Scale; and
- (b) establishing a new review mechanism to synchronize the movement of the benchmarks and starting salaries with entry pay in the private sector for similar qualifications.

19. We support both (a) and (b) in principle. Of course, this is a very complex issue and we hope that an effective mechanism can be devised in consultation with management and staff. The mechanism should ensure, in particular, that no serving officer would be worse off than a new recruit in the same rank if and when private sector pay suddenly rebounded above the level on which his own starting pay was based.

20. The Standing Committee would wish to be consulted on the new review mechanism when proposals have been worked out.

H. Salary on Transfer

21. We note that the Administration sees a need to rationalise the existing arrangements for salary on transfer, while preserving the incentive for serving staff to advance through the civil service system. We believe that officers **now** serving should not be penalised by any future modifications to these arrangements. Concern has been

expressed to us by a number of heads of department and staff representatives and we understand that the Administration has given assurances on this point.

I. The Assistant Hawker Control Officer

22. The recommendations of the Standing Commission's Report No. 36 leave the starting salary of the Assistant Hawker Control Officer (AHCO) unchanged. Though AHCOs are civilians and there ought therefore to be no direct comparisons with the rank and file of the Disciplined Services, the whole issue of the pay of the Hawker Control Officer grade has, of course, proved very controversial in the past. Both the management and staff sides have homed in on this aspect of the Standing Commission's findings and have left the Standing Committee in no doubt that they would regard it as completely unacceptable if the pay of their rank and file were to be reduced but that of the AHCOs was not. While it would be beyond our remit to do more than highlight this potentially unfortunate situation, we are writing separately to the Secretary for the Civil Service to underline the strength of feeling on the matter.

Yours faithfully,

(Mrs Miriam Lau)

Chairman

Ronald J Arculli
Martin G Barrow
Brian H Renwick
Wilfred Chan Siu-yuen
Cheng Kai-nam
Anthony Cheung Bing-leung
Nicholas S C Chiu
Chow Chun-fai
Almon Poon Chin-hung
Yeung Ka-sing

**Civil Service Starting Salaries Review -
Proposed Starting Salaries for Recruitment Ranks in the Disciplined Services**

I. Officer Grades

Dept	Basic Rank	Entry Qualification	Existing Starting Salary		Proposed Starting Salary		Actual Decrease	
			Pay Point	(a) \$	Pay Point	\$	\$	%
CSD C&ED FSD	Officer Inspector of Customs & Excise Station Officer (Operational)	Degree	GDS(O)10	30,585	GDS(O)7	26,075	4,510	14.75
		Higher Diploma	GDS(O)9	29,080	GDS(O)6	24,605	4,475	15.39
		2A 3O/Diploma	GDS(O)8	27,570	GDS(O)5	23,095	4,475	16.23
		5Es in HKCEE/ Higher Certificate/ Technical Diploma	GDS(O)6	24,605	GDS(O)3	20,765	3,840	15.61
CSD	Industrial Officer (Correctional Services)	Degree	GDS(O)10	30,585	GDS(O)7	26,075	4,510	14.75
		Higher Diploma	GDS(O)9	29,080	GDS(O)6	24,605	4,475	15.39
		2A 3O	GDS(O)8	27,570	GDS(O)5	23,095	4,475	16.23
		1A 3O	GDS(O)6	24,605	GDS(O)3	20,765	3,840	15.61
	Technical Instructor (Correctional Services)	Apprenticeship+Experience (not less than 10 years)	GDS(O)5	23,095	GDS(O)2	19,730	3,365	14.57

Dept	Basic Rank	Entry Qualification	Existing Starting Salary		Proposed Starting Salary		Actual Decrease	
			Pay Point	(a) \$	Pay Point	\$	\$	%
FSD ImmD	Station Officer (Control)	Degree	GDS(O)8	27,570	GDS(O)5	23,095	4,475	16.23
	Ambulance Officer	Higher Diploma	GDS(O)7	26,075	GDS(O)4	21,795	4,280	16.41
	Immigration Officer	2A 3O	GDS(O)6	24,605	GDS(O)3	20,765	3,840	15.61
		5Es in HKCEE	GDS(O)4	21,795	GDS(O)1	18,885	2,910	13.35
GFS	Air Crewman	2A 3O	GDS(O)1	18,885	GDS(O)1d	15,850	3,035	16.07
		5Es in HKCEE	GDS(R)9	16,725	GDS(R)4	14,100	2,625	15.70
	Aircraft Engineer	An aircraft maintenance engineer's licenc experience plus 5 years', or 10 years' experience in the operation, repair and servicing of aircraft	GDS(O)22	50,980	GDS(O)17	42,895	8,085	15.86
	Aircraft Technician	Apprenticeship	GDS(R)5	14,500	GDS(R)3	13,710	790	5.45
	Cadet Pilot	2A 3O	GDS(O)1	18,885	GDS(O)1d	15,850	3,035	16.07

Dept	Basic Rank	Entry Qualification	Existing Starting Salary		Proposed Starting Salary		Actual Decrease	
			Pay Point	(a) \$	Pay Point	\$	\$	%
HKPF	Inspector of Police	Degree	PPS27	32,380	PPS21	26,955	5,425	16.75
		Higher Diploma	PPS26	30,975	PPS20	26,245	4,730	15.27
		2A 3O	PPS25	30,050	PPS19	25,580	4,470	14.88
		5Es in HKCEE	PPS23	28,295	PPS17	24,175	4,120	14.56
ICAC	Commission Against Corruption Officer (Lower)	Degree	ICAC15	31,195	ICAC11	25,895	5,300	16.99
		Higher Diploma	ICAC14	29,870	ICAC11a	25,220	4,650	15.57
		2A 3O	ICAC13	28,555	ICAC10	24,540	4,015	14.06
		Lower than 2A 3O	ICAC11	25,895	ICAC8	21,915	3,980	15.37
	Commission Against Corruption Controller*	Degree	ICAC11	25,895	ICAC11	25,895	-	-
		Higher Diploma			ICAC11a	25,220	-	-
		2A 3O			ICAC10	24,540	-	-
		Lower than 2A 3O			ICAC8	21,915	-	-

Notes -

* See paragraph (3)(b) of Annex C.

II. Rank and File Grades

Dept	Basic Rank	Entry Qualification	Existing Starting Salary		Proposed Starting Salary		Actual Decrease	
			Pay Point	(a) \$	Pay Point	\$	\$	%
CSD C&ED FSD	Assistant Officer II Customs Officer	5Es in HKCEE including English	GDS(R)4	14,100	GDS(R)3	13,710	390	2.77
	Ambulanceman	3Es in HKCEE	GDS(R)3	13,710	GDS(R)2	13,305	405	2.95
	Fireman	Up to completion of F.5	GDS(R)2	13,305	GDS(R)1	12,940	365	2.74
CSD	Instructor (Correctional Services)	5 years of experience or Apprenticeship in various trades	GDS(R)3	13,710	GDS(R)2	13,305	405	2.95
FSD	Senior Fireman (Control) Senior Fireman (Canteen Supervisor)	5Es in HKCEE including English	GDS(R)14	19,535	GDS(R)13	18,965	570	2.92
ImmD	Immigration Assistant	5Es in HKCEE including English	GDS(R)3	13,710	GDS(R)2	13,305	405	2.95
		3Es in HKCEE	GDS(R)2	13,305	GDS(R)1	12,940	365	2.74
		Up to completion of F.5	GDS(R)1	12,940	GDS(R)1a	12,585	355	2.74

Dept	Basic Rank	Entry Qualification	Existing Starting Salary		Proposed Starting Salary		Actual Decrease	
			Pay Point	(a) \$	Pay Point	\$	\$	%
HKPF	Police Constable	5Es in HKCEE including English	PPS3	15,995	PPS2	15,520	475	2.97
		3Es in HKCEE	PPS2	15,520	PPS1	15,065	455	2.93
		Up to completion of F.5	PPS1	15,065	PPS1a	14,625	440	2.92
ICAC	Assistant Commission Against Corruption Officer	5Es in HKCEE	ICAC2	14,500	ICAC2a	13,970	530	3.66
		Lower than 5Es in HKCEE	ICAC1	13,440	ICAC1a	12,950	490	3.65
	Commission Against Corruption Investigator (Main Stream)	5Es in HKCEE	ICAC2	14,500	ICAC2a	13,970	530	3.66
		Lower than 5Es in HKCEE	ICAC1	13,440	ICAC1a	12,950	490	3.65
	Commission Against Corruption Investigator (Attendant Stream)	5Es in HKCEE	ICAC2	14,500	ICAC2a	13,970	530	3.66
		Lower than 5Es in HKCEE	ICAC1	13,440	ICAC1a	12,950	490	3.65

State Department of Education Report on Civil Service Positions
(Existing and Proposed Salary Scales)

Job Title	Grade	Min. Salary	Max. Salary	General Classification Series				Min. Salary	Max. Salary	Grade	Min. Salary	Max. Salary	General Series		
				Professional	Administrative	Technical	Other						Min. Salary	Max. Salary	Grade
Director	1	100,000	150,000												
Assistant Director	2	75,000	110,000												
Chief Clerk	3	50,000	70,000												
Administrative Assistant	4	35,000	50,000												
Technical Assistant	5	30,000	45,000												
Other	6	25,000	35,000												

Notes: This report is based on the most current information available. Salaries are subject to change based on legislative action and collective bargaining agreements. The information provided is for informational purposes only and does not constitute an offer of employment.

政府總部公務員事務局的信息頭

Letterhead of CIVIL SERVICE BUREAU GOVERNMENT SECRETARIAT

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20 July 1999

The Hon Mrs Miriam Lau Kin-yee, JP
Chairman
Standing Committee on Disciplined Services Salaries
and Conditions of Service
Rm 405, Prince's Building
10 Chater Road
Central, Hong Kong

Dear Mrs Lau

**Review of Civil Service Starting Salaries and
Proposed Entry System and Remuneration Package for Recruits**

I am writing to inform you that the Chief Executive in Council has decided at its meeting this morning (20 July) that -

- (a) the findings and recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service (Standing Commission) on the Starting Salaries Review be accepted in principle;
- (b) the Report be released for consultation with the Staff Sides and department and grade management; and
- (c) the Report be passed to the Standing Committee on Disciplined Services Salaries and Conditions of Service (SCDS) to advise whether, and if so how the results should be further applied to starting salaries in the disciplined services grades.

Starting Salaries Review

Our pay policy is to offer sufficient remuneration to attract, retain, and motivate staff of a suitable calibre to provide the public with an effective and efficient service. Such remuneration should be regarded as fair both by civil servants and by the public which they serve and should be broadly comparable with private sector practices. In view of public concern that the starting salaries for certain civil service jobs might be out of line with that of the private sector, the Standing Commission was invited to undertake an independent review of the existing civil service starting salaries -

- (a) to ascertain if entry pay remains comparable with pay in the private sector for similar qualifications; and
- (b) in the light of the findings, to recommend -
 - (i) whether adjustments to the qualification benchmarks or entry pay levels are called for; and
 - (ii) ways and means to ensure the continuing broad comparability between civil service entry pay and pay in the private sector for similar qualifications.

A copy of the Report from the Standing Commission is enclosed for your perusal.

The Standing Commission's Review does not cover starting salaries for the disciplined grades. We feel it is essential that consideration be given to the implications of the results of this Review for disciplined services' starting salaries. We recognise that there are differences between the disciplined services and the rest of the civil service: these must be considered carefully.

The Chief Executive in Council has decided that the Standing Commission's Report should be passed to your Committee and that you be invited to advise whether, and if so how the Standing Commission's

recommendations should be applied to starting salaries in the disciplined services grades.

We will shortly consult the Staff Side representatives of the civilian grades on the results of the Benchmark Review and the consequent adjustments to the entry salary levels. We anticipate adjusting starting salaries for individual civilian grade solely in accordance with the new benchmark. We feel, therefore, that it would also be appropriate to use the Review results to form the basis of any adjustments to the entry pay levels for disciplined service grades. I should add that we advised the Standing Commission to look at current salaries on an 'as is' basis: i.e. that special factors which may have resulted in entry salary levels for individual grades departing from the benchmark levels should be taken to apply in the current Review. We would be grateful if you would adopt the same approach.

Some of the disciplined service departments have previously submitted requests for grade reviews. I should stress that we regard such matters as being outside the ambit of this entry pay review exercise.

Once you have completed your review and tendered your advice, we will consult the management and the Staff Sides of the disciplined services on how to take forward any amendments to starting salaries you recommend. We are of course keen to complete this exercise as soon as possible and I would be most be grateful if your recommendations on the Starting Salaries Review could reach us by the end of September 1999.

If you require any further information or need any clarification on any points in this letter, please feel free to contact me.

(D W Pescod)

for Secretary for the Civil Service

w/encl.

**Anomalies and our Recommendations
to address them**

(1) Correctional Services Department

- (a) The starting salary of the **Technical Instructor Grade** is GDS(O)5, one point lower than the **Industrial Officer Grade**. Technical Instructor is comparable to grades falling under Qualification Group 8, for which the Standing Commission's Review recommends no reduction. However, six points are to be deducted from Qualification Group 10, the Matriculation Group, to which both the Industrial Officer Grade and the **CSD Officer Grade** relate.
- (b) The Commissioner of Correctional Services has told us that he would regard it as unacceptable if a newly joined supervisory rank officer were to be drawing a lower salary than his newly joined subordinate. We therefore recommend that the starting salary of the Technical Instructor should be adjusted in line with the Industrial Officer and CSD Officer, having regard to the established relativity.

(2) Fire Services Department

- (a) **Senior Fireman (Control)** and **Senior Fireman (Canteen Supervisor)** carry the same title and salary as Senior Fireman (Operational) in the main stream (which is a promotion rank). However, they are, in fact, separate basic entry ranks for specific jobs - Senior Firemen (Control) work in the communications centres and Senior Firemen (Canteen Supervisor) are involved in catering duties. Their starting salaries ought therefore to be adjusted by one pay point, i.e. from GDS(R)14 (\$19,535) to GDS(R)13 (\$18,965), in line with our overall methodology. But the question then arises of whether an extra point should be deducted (i.e. to GDS(R)12 (\$18,390)) in order to keep the Senior Fireman (Control) below the minimum starting point of the **Station Officer (Control)** (GDS(O)1 - \$18,885).
- (b) We have discussed this point with the Director of Fire Services. He feels that deducting additional points from the entry pay of Senior Fireman (Control) would not be desirable because -

- (i) It would further widen the gap between the Senior Fireman (Operational) and Senior Fireman (Control).
- (ii) The impact of the \$80 lead which the Senior Fireman (Control) would have over Station Officer (Control) would be minimal, and would be resolved at the next annual incremental pay point. Besides, in practice, new Station Officers (Control) do not enter at the minimum point, as they are almost all Principal Firemen promoted from the ranks.

We have therefore concluded that only one point should be deducted for Senior Fireman (Control) and Senior Fireman (Canteen Supervisor).

(3) Independent Commission Against Corruption

- (a) We recommend the introduction of **three new salary points** on the ICAC pay scale to maintain the existing percentage differentials between the Police and ICAC -
 - **ICAC 11a -** (\$25,220) inserted midway between the existing ICAC 11 and ICAC 10 pay points, this would be the entry point for Commission Against Corruption Officers (Lower) (CACO) with a Higher Diploma. Their next incremental point would be ICAC 11. (Matriculants would start at ICAC 10 and move to ICAC 11a as their first increment, to maintain the relativity with Higher Diploma holders.)
 - **ICAC 2a -** (\$13,970) inserted midway between the existing ICAC 2 and ICAC 1 pay points, this would be the entry point for Assistant Commission Against Corruption Officers (ACACO) and Commission Against Corruption Investigators (CACI) with 5Es in HKCEE. Their next incremental point would be ICAC 2.
 - **ICAC 1a -** (\$12,950) beneath ICAC 1, this would be the entry point for ACACO and CACI with less than 5Es in HKCEE. Their next incremental points would be ICAC 1 and then ICAC 2 and so on.
- (b) At present, the minimum starting salary for the **CACO (Lower)** and the **Commission Against Corruption Controller (CACC)** grades is Point 11 of the ICAC pay scale. CACO (Lower) is a promotion rank for ACACO as well as a basic entry rank for direct recruitment, while

CACC is a basic officer rank and a promotion rank for Commission Against Corruption Investigators (CACI) although there is, at present, no direct recruitment at this level. We recommend that the CACC's starting salary should be adjusted in line with CACO (Lower), but that the new salary should only be applicable in the event that there is direct recruitment to the rank in future - **serving officers** promoted to the rank should receive the **existing** salary. We believe that Commissioner ICAC would support this approach.

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