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# 政府總部公務員事務局

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19 October 2005

Miss Salumi CHAN
Clerk to Panel
Legislative Council Panel on Public Service
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Miss Chan,

### Legislative Council Panel on Public Service

#### Further Submission from the Police Force Council Staff Associations

Thank you for your letter of 4 October 2005. I set out below the response of the Civil Service Bureau (CSB) to the further submission from the Police Force Council (PFC) Staff Associations dated 29 September 2005.

The procurement of consultancy services by Government bureaux/departments is governed by the Stores and Procurement Regulations (SPR) to ensure the integrity and impartiality of the procurement process. It is only proper that the established procedures as set out in the SPR be strictly followed in the selection and appointment of the consultant for conducting the pay level survey for the civil service (the Phase Two Consultancy).

In our letter of 17 September, we explained that it is a common requirement in invitation for similar kinds of consultancy proposals issued by the Government that consulting firms submitting proposals should disclose conflict of financial interests and we have followed this practice in handling the Phase Two

Consultancy. The possible conflict of roles as raised by the PFC Staff Associations is an entirely different issue.

In the aforementioned letter, we also explained that prior to issuing invitation for proposals to the short-listed consulting firms, the assessment criteria had been approved by the Central Consultants Selection Board following consultation with the staff side members of the Consultative Group on Civil Service Pay Adjustment Mechanism (the Consultative Group). As can be seen from the assessment criteria 1, they are typically adopted for assessing proposals for consultancies of a similar nature. Any allegation that the selection process for the Phase Two Consultant may have been biased or that we have not strived to ensure the integrity and impartiality of the process is totally groundless. Under these predetermined assessment criteria, it would be improper for the assessment panel to debar a consulting firm from bidding the Phase Two Consultancy on grounds of possible conflict of roles or any other criteria not previously specified.

The PFC Staff Associations expressed the view that civil service staff associations and unions had not been brought into the process of selecting the Phase Two Consultant. As a matter of fact, before issuing invitation for proposals for the Phase Two Consultancy, we had taken the extra step of consulting the Consultative Group<sup>2</sup> on the proposed approach for seeking professional assistance in conducting the pay level survey. In that connection, we had put forward, in no unclear terms, the procedure for procuring the consultancy service, the scope of work and timetable of the consultancy as well as the assessment criteria for consultation with the staff side members.

We do not agree to the PFC Staff Associations' view that whatever methodology is employed in the survey is irrelevant. We consider that the survey methodology is of critical importance to ensuring that the comparison between civil service jobs and private sector jobs would be made on a reasonable and fair basis. Therefore, over the past two years, we had spared no efforts in deliberating with the staff side members of the Consultative Group and consulting the public and all civil service colleagues before finalising the methodology for the upcoming pay level survey for the civil service. As a matter of fact, through this intensive consultation process, we have incorporated many of the staff views into the methodology now adopted for the survey. As noted in our letter of 17 September, the Phase Two Consultant is required to conduct the survey in strict accordance with this predetermined survey methodology.

Regarding the survey commissioned by the Hong Kong General Chamber of Commerce in 2002, Watson Wyatt Hong Kong Limited (Watson Wyatt) has openly clarified that the figure which attracted the greatest concern from staff was in fact not

See Footnote 1 on page 2 of our letter dated 17 September 2005.

<sup>&</sup>lt;sup>2</sup> The Consultative Group comprises the staff sides of the four central consultative councils and staff representatives from the four major service-wide staff unions.

adopted as a conclusion of the survey. The PFC Staff Associations' concern that Watson Wyatt might benefit from presenting findings in the current pay level survey in a way which was "consistent" with the above-mentioned figure simply does not arise.

Nonetheless, we have taken the concern expressed by the PFC Staff Associations and other staff representatives seriously, and have taken a series of follow-up actions to address concerns about impartiality and credibility of the consultancy. (These actions were detailed in our letter of 17 September.) We have also published information relevant to the procurement of the Phase Two Consultancy (including the scope of work, assessment criteria and the procurement procedure) on the CSB website to enhance the transparency of the procurement process. We further encourage the staff side to participate at various fora (including the Consultative Group) and during different stages of the pay level survey (especially the job inspection process) in order to be satisfied of the integrity of the survey and its outcome.

We hope the above help clarify matters. We will continue to work closely with staff representatives to ensure that the pay level survey will be conducted in a professional and credible manner.

Yours sincerely,

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(Eddie Mak) for Secretary for the Civil Service

c.c. Commissioner of Police