# 立法會 Legislative Council

LC Paper No. CB(1)481/06-07 (These minutes have been seen by the Administration)

Ref: CB1/PL/PS/1

#### **Panel on Public Service**

## Minutes of meeting held on Monday, 20 November 2006 at 10:45 am in Conference Room A of the Legislative Council Building

**Members present**: Hon Howard YOUNG, SBS, JP (Chairman)

Hon LI Fung-ying, BBS, JP (Deputy Chairman)

Hon LEE Cheuk-yan Hon Margaret NG

Hon James TO Kun-sun Hon CHEUNG Man-kwong Hon TAM Yiu-chung, GBS, JP Hon WONG Kwok-hing, MH

Hon KWONG Chi-kin

**Member attending:** Hon CHAN Yuen-han, JP

Member absent : Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Public officers attending

Agenda items IV and V

Miss Denise YUE, GBS, JP Secretary for the Civil Service

Mr Andrew H Y WONG, JP

Permanent Secretary for the Civil Service

Mr K S SO, JP

Deputy Secretary for the Civil Service 2

**Clerk in attendance:** Mr Andy LAU

Chief Council Secretary (1)2

**Staff in attendance**: Mr Noel SUNG

Senior Council Secretary (1)4

Miss Winnie CHENG Legislative Assistant (1)5

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#### I Confirmation of minutes of meetings

(LC Paper No. CB(1)127/06-07 — Minutes of meeting on 12 October 2006)

The minutes of the meeting held on 12 October 2006 were confirmed.

II Information papers issued since the regular meeting held on 19 June 2006

(LC Paper No. CB(1)2150/05-06 — The Seventeenth Report on the Work of the Advisory Committee on Post-service Employment of Civil Servants (1 January 2005 –

31 December 2005))

2. <u>Members</u> noted the information paper issued since the regular meeting held on 19 June 2006.

III Proposed discussion items for the Panel meetings to be held from December 2006 to June 2007

(LC Paper No. CB(1)248/06-07(01) — List of outstanding items for discussion

LC Paper No. CB(1)248/06-07(02) — List of follow-up actions)

- 3. <u>The Chairman</u> reported that he had discussed with the Secretary for the Civil Service (SCS) on 1 November 2006 concerning the discussion items proposed by the Administration for the Panel meetings to be held from December 2006 to June 2007. He added that SCS had advised that there were no legislative proposals for discussion at the Panel during the current legislative session. <u>Members</u> noted the proposed discussion items set out in LC Paper No. CB(1)248/06-07(01).
- 4. <u>Members</u> agreed that the following items proposed by the Administration should be discussed at the next meeting scheduled for 18 December 2006:

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- (a) Review of employment situation of non-civil service contract staff; and
- (b) Progress update on resumption of open recruitment for selected grades included in the Second Voluntary Retirement Scheme.

#### IV Implementation of five-day week in the Government

(LC Paper No. CB(1)248/06-07(03) — Paper provided by the Administration

LC Paper No. CB(1)259/06-07 — Background brief prepared by the Legislative Council Secretariat)

#### Briefing by the Secretary for Civil Service

5. At the invitation of the Chairman, <u>SCS</u> apprised the meeting that the first phase of the five-day week arrangement had been rolled out in the Government since 1 July 2006, involving administrative and backend offices, and some counter services of various bureaux and departments. Based on the experience of the first phase, the Government had reviewed the arrangements, taking into account the feedback from staff and the public, and the effects on performance pledges etc. It was noted that the offices involved had been operating smoothly and the public generally had accepted the five-day week arrangement, which had not led to any adverse effect on the efficiency and performance of the Government offices involved. To enable the public to get accustomed to the five-day week arrangement, the bureaux and departments concerned had enhanced the use of other means to deliver services, e.g. the greater use of electronic means, provision of drop-in boxes and putting in place alternative payment channels, etc. Civil servants had generally welcomed the five-day week arrangement, indicating that they had more time to spend with their families, to pursue further studies, sports and other recreational activities during the longer weekends. Overall speaking, the first phase of the five-day week arrangement had been implemented smoothly. Same as the arrangement for the first phase, the bureaux and departments involved in the second phase had consulted the stakeholders in the private sector and the staff side. With effect from 1 January 2007, some services in 13 departments would migrate to the five-day week. As in phase one, publicity on the service migration arrangements under phase two would be made, covering the opening hours of the offices concerned and the alternative means for provision of services. At the central level, the implementation of the second phase in the various bureaux and departments would be publicized. Phase three of the five-day week arrangement would be implemented on 1 July 2007. The Government was still considering which services should migrate to the new arrangement in phase three. SCS stressed that emergency services, notably those involving the maintenance of law and order, provision of rescue services etc., would continue to be provided round the clock.

#### Discussion

Impact on public service

- 6. <u>Ms LI Fung-ying</u> was concerned that the implementation of five-day week in some government offices, e.g. the driving examination centres of Transport Department and the specialist clinics of the Health Department, would cause inconvenience to the public as they might need to use the services on Saturdays.
- 7. The Permanent Secretary for the Civil Service (PSCS) explained that in considering the implementation of five-day week, the bureaux and departments concerned had taken into consideration the pattern of usage of the services, especially on Saturday mornings, and consulted the users and stakeholders in the private sector. Quoting the school dental clinics of the Health Department as an example, he said that the department had issued questionnaires to the users and more than 99.8% of the respondents indicated that they would not object to the clinics adopting the five-day week arrangement.
- 8. Noting that about 27 300 civil servants were working on a five-day-week and two-day-off pattern, Mr LEE Cheuk-yan asked whether there were any cases whereby the servicing hours of departments had been extended due to the implementation of five-day week in the Government.
- 9. <u>SCS</u> replied that upon the implementation of five-day week in the Government, a limited number of offices had extended their servicing hours on Saturday, for example, the Fisheries Education Centre of the Agriculture, Fisheries and Conservation Department.
- 10. Noting that the second phase of the five-day week would include the school dental clinics of the Health Department, the special education services and education psychology services of the Education and Manpower Bureau, and the Legal Aid Department (LAD)'s offices dealing with criminal matters, Mr TAM Yiu-chung was concerned about the impact on parents and students using the dental and education services, and on the listing of criminal cases for court hearing.
- 11. In reply, <u>SCS</u> said that in relation to the school dental service, the department concerned had carried out a survey of about 1 300 parents. Some 99.8% of the parents had indicated that they supported the switch to the five-day week arrangement. This was probably because the clinics provided an annual dental check-up service for school students who were taken to the clinics by specially arranged school buses. To complement the service, the Department of Health would enhance its special bus service for conveyance of the school students to the clinics. The dental clinics in individual districts would continue to provide dental services on Saturdays for urgent cases. As the Judiciary was responsible for listing of cases for court hearing, the implementation of five-day week in the Legal Aid Department would not affect the listing of court cases. Regarding special education services, the five-day week arrangement was acceptable as provision of the services was mainly school-based.

- 12. Mr CHEUNG Man-kwong opined that the Government had over-simplified the situation. He said that while he supported the five-day week initiative, such an arrangement should not cause inconvenience to the public. He pointed out that if the parents were only asked in the survey about the routine annual dental check up for their children, they would agree to the dental clinics operating on five-day week, as the schools would take their children to the clinics from Monday to Friday. However, if the children required special dental services, such as rectification or follow-up dental services, the parents who usually had to work from Monday to Friday might not be able to arrange their children to receive the dental services which were not available on Similarly, for children who required the special education services or education psychological services, the closure of the offices on Saturdays might deprive the children of such services because their parents could not find time to take their children to the government offices from Monday to Friday. These special services were, although not urgent, essential and were required on a long-term basis. A general survey could not identify such needs and it might be too simplistic to conclude that the five-day week could be implemented in these clinics/offices based on a general survey. The Government should maintain these essential services on Saturdays, perhaps by arranging the staff to perform shift duties. Otherwise, the parents might have to turn to private dentists/consultants for services despite that some of them had already paid for the government services.
- 13. <u>SCS</u> responded that the fact was 99.8% of the parents responding to the survey had supported the implementation of five-day week in the school dental clinics, having taken into consideration their children's need for routine and non-routine dental services. For the special education and education psychological services, the Education and Manpower Bureau would arrange provision of the services on Saturday if parents made a request in view of the child's special needs.
- 14. Mr CHEUNG Man-kwong opined that the crux of the problem was that people in the non-government sectors had to work on a six or seven-day week basis, despite the implementation of five-day week in the Government. People had difficulty in obtaining leave from their employers to use the government services from Monday to Friday. If the government offices were open on Saturday mornings, the employees would have a better chance of obtaining permission from their employers to take leave and use the government services. Even if the Government survey showed that 99% of the parents did not object to the closure of dental clinics on Saturdays, the remaining 1% still represented a large number of users, probably in the range of over 10 000 children, who required the essential dental services on a long term basis. He was of the view that the five-day week should be implemented with some flexibility. For public services where there was a need for the public to use the concerned service on Saturdays, such as the school dental clinics, the special education services and the education psychological services, the Government should consider providing limited services on Saturday mornings.
- 15. <u>SCS</u> noted that members' primary concern was not on the provision of routine dental check up services, but rather the follow-up dental service provided by the school

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dental clinics. She undertook to consult the Department of Health to see if some alternative arrangement could be made, and inform the Panel of the detailed arrangements.

- 16. With reference to page 5 of Annex C of LC Paper No. CB(1)248/06-07(03), Mr James TO kun-sun was concerned that the offices of the LAD dealing with criminal matters would be closed on Saturdays with effect from 1 January 2007, as this would mean a delay in application for legal aid which would cause applicants to have to apply for the postponement of court hearing. He pointed out that an applicant in an urgent case, e.g. a deportation case, might require legal aid service even on a Saturday. Mr TO enquired about LAD's arrangement for handling such cases.
- The Deputy Secretary for Civil Service 2 (DSCS2) explained that usually the court would allow postponement of the hearing of a criminal case so as to enable a concerned party to apply for legal aid. In those cases where an applicant was required to pay a certain amount of fees on a Saturday upon the offer of service by LAD, the Department would make suitable arrangement to accept the payment from the applicant. SCS added that LAD had laid down procedures for making special arrangements for handling urgent criminal cases on Saturday afternoons and public holidays, and the same procedures would be applicable on Saturday mornings when LAD switched to work on a five-day week basis. She undertook to provide the details of LAD's procedures to the Panel.
- Miss CHAN Yuen-han stated that she supported the five-day week arrangement as civil servants would have more time to spend with their families or participate in sports and recreational activities. However, she opined that the five-day week could not be carried out successfully without additional staff, as many people had pointed out that the closure of government offices on Saturdays, such as the Labour Department and Housing Department offices, had caused inconvenience to the public, whereas low-ranking civil servants had complained that they had to cut short their lunch break during working days in order to get off duty earlier.
- 19. <u>SCS</u> responded that the five-day week arrangement would, to a certain extent, call for some behavioral change on the part of the public. Quoting the Transport Department's licensing offices as an example, <u>SCS</u> said that the public had adapted to the new arrangement extremely well. She pointed out that the bureaux and departments working on five-day week had introduced measures like facilitating the greater use of electronic means for business transactions, provision of drop-in boxes, putting in place alternative payment channels etc. to meet the public's demand of service. The five-day week arrangement was implemented in the Government on the basis that there would not be any increase in staff or expenditure. She pointed out that any change to the civil servants' conditioned hours of service would require a review of the pay package of the staff involved.

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- 20. Mr KWONG Chi-kin said that it was a welcome move for the Government to take the lead in introducing the five-day week. However, he was of the view that the five-day week arrangement would inevitably affect, to a certain extent, the services provided to the public, e.g. the Labour Department counter services and the Department of Health's dental services which could not be provided through electronic means. He was concerned that the Transport Department would not conduct driving examinations on Saturdays with effect from 1 January 2007, even though only 2% of the candidates attended driving examinations on Saturdays. He asked whether during the review of the five-day week, the Government would consider providing a small number of additional staff in order to maintain a limited level of essential services on Saturday mornings in some bureaux or departments working on five-day week. He said that given the economic recovery, a small increase in staff resources to meet the public's service demand should be acceptable.
- 21. <u>SCS</u> responded that for the time being, the Government was not prepared to alter the four guiding principles relating to the implementation of the five-day week, namely there would be no additional staff, no change to the conditioned hours of service of staff, no reduction in emergency services, and continued provision of some essential counter services on Saturdays. As far as driving examinations were concerned, the candidates could not choose the time slots for their examinations, which were arranged automatically by computers, mainly based on the ICAC Corruption Prevention Department's recommendation.

### Staff morale

- 22. <u>Ms LI Fung-ying</u> was concerned about staff morale as many civil servants would be excluded from the five-day week arrangement.
- 23. SCS explained that about 40 000 to 50 000 civil servants would not be able to move to a five-day week because they were performing duties relating to the maintenance of law and order, provision of rescue or essential services, etc. The management had clearly explained the reasons to the staff involved, through the central consultative councils and the departmental consultative channels. Nevertheless, the departments concerned would continue to explore, for example, through new or improved duty roster arrangements, the feasibility of allowing more civil servants to migrate to a five-day week. However, she understood that in the end there would still be several tens of thousand of civil servants who could not move to a five-day week, including staff in the disciplined services and frontline staff belonging to the Model I Pay Scale. She said that the disciplined services staff fully understood that the terms and conditions of their employment had taken into account the fact that they had to perform shift duties on weekends and public holidays. She expressed her gratitude to these staff for their understanding, and said that the five-day week arrangement had not triggered any major conflict between the management and staff.

- 24. Mr LEE Cheuk-yan was gravely concerned that the Government was setting a very bad example to the private sector if it implemented the five-day week without putting in additional staff and reducing the conditioned hours of service of staff. He said that the private sector would not be prepared to put in additional resources in adopting the five-day week arrangement. This would mean that the staff would have to perform long hours of work and perform duties on weekends by roster, which totally defeated the original purpose of the five-day week arrangement in allowing the staff to have more time to spend with their families or pursue their studies and interests. He was of the view that about 51 000 civil servants would not be able to work five-day week, not because they were engaged in emergency services, but simply because the Government was not prepared to put in additional manpower for the new arrangement. considered that the lower ranking civil service staff were already suffering from long hours of work, e.g. the ambulance-men even did not have time to take their meal whilst on duty. He said that he was disappointed that the Government was not prepared to review the arrangement.
- 25. <u>SCS</u> reiterated that about 51 000 civil servants would not work on a five-day week basis, some because they discharged duties relating to the maintenance of law and order, and others, such as some Model I Pay Scale staff, because of occupational heath and safety reasons having regard to their conditioned hours of service.

#### Occupational health and safety

- 26. Mr WONG Kwok-hing was concerned that when the daily working hours were extended as a result of the cessation of service on Saturdays, staff engaged in physical work might suffer from long hours of strenuous duties. He asked whether, for the sake of occupational heath and safety, short breaks could be given to these staff during the working days.
- 27. <u>SCS</u> responded that occupational heath and safety was a major consideration in deciding whether certain staff should migrate to the five-day week arrangement. This was also the reason why some staff would not join the arrangement. For some staff who had migrated to the five-day week arrangement, they had suggested a shorter lunch break so that they could go off duty slightly earlier than the extended working hours for each week day. She noted that the concerned departments were considering the suggestion and that the paramount consideration was staff's health and occupational safety.
- 28. <u>Mr TAM Yiu-chung</u> enquired whether after the implementation of five-day week, there were standard opening hours in government offices, and whether staff were allowed to work staggered hours so as to tie in with their family arrangements.
- 29. <u>SCS</u> responded that the opening hours of government offices serving the public were set having regard to the needs of the clients. For this reason, there was no uniform opening hours for the Government before the implementation of the five-day week arrangement. For the same reason, there was no uniform opening hours for those offices that had migrated to the five-day week arrangement. She further advised that heads of

bureaux and departments could decide whether or not to allow their staff to work staggered hours taking into consideration the operational needs.

#### Compensation leave

- 30. <u>Ms LI Fung-ying</u> pointed out that after the introduction of the five-day week, some civil servants had expressed concern about the leave compensation arrangement when a public holiday fell on a Saturday.
- 31. <u>DSCS2</u> replied that before the five-day week arrangement was implemented, the Government had considered its implication on the leave arrangement for civil servants, and concluded that the existing leave earning system as laid down in the Civil Service Regulations should not be altered. And based on the Civil Service Regulations, a civil servant working on five-day week would not have his working hours reduced when a public holiday fell on a Saturday since the civil servant was not on duty on that day. For officers performing shift duties, the bureaux and departments concerned would follow the principles in the Civil Service Regulations in the leave calculation of those staff.

#### Impact on contract and temporary staff

- 32. <u>Mr WONG Kwok-hing</u> was concerned that the income of government contract staff or temporary staff, especially those working on daily or hourly-rate jobs, might be adversely affected as a result of the implementation of five-day week. He asked about the number of staff involved and the extent of the reduction of their income.
- 33. <u>SCS</u> replied that the income of contract and temporary staff directly employed by the Government had not been affected by the new arrangement. Separately, out of the nearly 1 000 contracts for outsourced services, mainly for provision of cleaning and security services, only nine to ten contracts had to be revised with the tender amounts adjusted upward or downward, as a result of implementation of five-day week in the Government. She surmised that the number of workers involved in the nearly 1 000 contracts could easily be over 10 000. And out of this number, less than 40 workers had their income adjusted slightly downward, owing to the reduced demand for services from the concerned contractors. <u>SCS</u> added that on average the income of the concerned workers were cut by about 10%. She further noted that the affected workers had been contained at such a small number because the concerned contractors had re-deployed the workers involved to work in non-government offices during Saturdays in order to maintain their income level.

#### Staff consultation

34. <u>Mr WONG Kwok-hing</u> enquired whether the Government had consulted the staff side on the implementation of the five-day week arrangement through, for example, the use of a shift system.

35. SCS replied that when the Chief Executive announced in January 2006 the Government's plan to introduce the five-day week, all bureaux and departments had consulted, through the departmental consultative channels, the staff side on the plan, including the selection of offices or units for introduction of the five-day week arrangement. The management had also explained to the staff side the reasons why the arrangement would not be applied to certain offices or unit. Where it was considered necessary to introduce a shift system to tie in with the five-day week arrangement, the bureaux and departments concerned would consult the relevant civil service staff associations in advance. She was satisfied that throughout the planning and implementation of the five-day week arrangement, there was full staff consultation. During the consultation process, it was inevitable that at times a minority of staff would not agree with the mainstream view. In such circumstances, it was right for management to be guided by the view held by the greatest number of staff.

# V Progress update on the Pay Level Survey and the development of an improved pay adjustment mechanism for the civil service

(LC Paper No. CB(1)248/06-07(04) — Paper provided by the Administration

LC Paper No. CB(1)260/06-07 — Background brief prepared by the Legislative Council Secretariat)

Submission from the Staff Association of the Food and Environmental Hygiene Department

- 36. With reference to the submission from the Staff Association of Hong Kong Food and Environmental Hygiene Department tabled at the meeting, <u>Mr WONG Kwok-hing</u> pointed out that in relation to the job briefs prepared for the PLS, the Foreman grade staff of Food and Environmental Hygiene Department (FEHD) were not satisfied that:
  - (a) the Foreman grade staff were not classified as supervisory officers, although their main duties were to assign and supervise the jobs performed by workers;
  - (b) it was inappropriate for Foremen in the cleansing units to take up the cleansing work of slopes which were managed and maintained by other departments; and
  - (c) the Foremen in the markets division only assisted the administration offices in issuing rental notices to the operators, and they should not be responsible for ensuring that the operators paid the rentals in time.

(*Post-meeting Note*: The submission from the Staff Association of Hong Kong Food and Environmental Hygiene Department tabled at the meeting was circulated to members vide LC Paper No. CB(1)336/06-07.)

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- 37. <u>DSCS2</u> explained that after consultation with the departments and the staff sides, the consultant of the Pay Level Survey (PLS) had drawn up the job briefs for the benchmark civil service jobs and classified them into five levels. Mainly based on their salary scales, the Foremen of FEHD were classified as Level One officers called "Operational Staff", and officers of this level might also perform some supervisory duties. In the preparation of the detailed job brief for the Foreman grade, the consultant had already taken into account the views of staff.
- 38. Mr KWONG Chi-kin pointed out that the Foreman grade staff of FEHD were classified as operational staff whereas the Senior Foreman grade staff fell into the senior supervisory staff category, despite that the main duties of the Foremen were to assign duties to the workmen and supervise their work. The Foremen were gravely concerned that this classification would affect the assessment of their salaries and terms and conditions of service in the PLS. Mr KWONG asked about the arrangement to be made if a civil service staff association had expressed different views on the classification of staff grades in the PLS. He said that the Foremen were concerned that the job description for their grade in the job brief had included duties of cleaning slopes under the purview of other departments, and responsibility for ensuring that the tenants in the FEHD markets would pay their rentals before the deadline. The Foremen pointed out that the administration office of the market division should in fact be responsible for issuing rental notices to the market tenants.
- 39. DSCS2 responded that the consultant had consulted the relevant departmental management, the departmental consultative committees and the civil service staff associations in drawing the job briefs for each grade and rank of staff. So far more than 300 job briefs had been issued to the staff sides for comments and the briefs had been revised taking into account the staff sides' views. The consultant, however, had to assess the staff sides' suggestions from a professional viewpoint in working out the job briefs suitable for use in the PLS. As far as the job brief for the Foreman grade was concerned, the Administration had taken on board the suggestions from the staff association and revised the job brief, for example, by indicating that the Foremen would report to their senior officers regarding the hygienic situation of the slopes administered by other departments so that follow-up action could be taken by the relevant department. The job brief for the Foreman grade also specified that the Foremen were responsible for assigning duties to the workmen and supervise their work which would be taken into consideration in the PLS for comparison with jobs in the private sector. In accordance with the PLS arrangements, staff on Point one to eleven of the Master Pay Scale were classified as Level One officers called "Operational Staff", and the Foremen fell within this category of staff.

#### Pay adjustment for the civil service

40. <u>Miss CHAN Yuen-han</u> pointed out that the Macau Special Administrative Region Government had recently announced a salary increase of about 4% for its civil servants. She asked whether, given the recent economic recovery and price inflation, the Government would consider an upward pay adjustment for civil servants in this year.

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- 41. <u>SCS</u> responded that the primary purpose of the PLS was to compare the pay levels in the civil service with those in the private sector, taking into account the job content and work nature, level of responsibilities, the typical requirements on qualifications and experience of the jobs under comparison. It would not be possible to consider any pay adjustment for the civil service before the completion of the PLS. She said that the improved civil service pay adjustment mechanism should consist of three elements, namely the PLS, the annual Pay Trend Survey (PTS) based on an improved methodology and a mechanism to adjust upward or downward the pay levels. It was therefore imperative to establish the pay comparability of the civil service and the private sector jobs in the PLS first before further consideration could be made on any civil service pay adjustment.
- 42. <u>Miss CHAN Yuen-han</u> was of the view that the pay of some jobs in the private sector, such as that for cleaning workers, might be unreasonably low which should not be used for comparison with the civil service pay.
- 43. Mr WONG Kwok-hing was concerned that if the Government did not consider any pay adjustment for the civil servants, it might adversely affect the morale of the staff, including those working in the Government subvented organizations whose pay levels followed those of the civil service.
- 44. <u>SCS</u> replied that staff morale was one of the major factors, but not the only factor, for consideration of pay adjustments for the civil service. The Government could not justify an adjustment of the civil service pay merely on the ground of staff morale.
- 45. Mr LEE Cheuk-yan was gravely concerned that it would take a long time before the civil service would receive any pay increase, as the PLS would not be completed until mid-2007. The Government would then take time to consider the findings of the PLS and consult the staff sides. Mr LEE asked whether, in the case that the civil service pay levels were found higher than those of the private sector in the PLS, the civil service would have no pay increase until the salary levels in the private sector could catch up with those in the civil service.
- 46. <u>SCS</u> responded that after the findings of the PLS were available, the Government would have to consolidate, analyze and assess the details and consult the staff sides on how the findings should be applied to the civil service. In determining civil service pay adjustments, the Government would take into consideration factors such as the unique nature of the work in the civil service, for example, the need to maintain stability and continuity in the civil service. She reiterated that the Government would fully consult the staff sides before implementation of any civil service pay adjustment and the Chief Executive had pledged that the actual take-home pay for serving civil servants would not be adjusted to below the levels as at 30 June 1997 in dollar terms.

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- 47. <u>Mr LEE Cheuk-yan</u> asked whether the Government would consider some short-term measures to adjust civil service pay in 2007-08, in view of the recent economic recovery and pay increases in some private organizations.
- 48. <u>SCS</u> replied that the Government would ensure that the PLS and the related staff consultation afterwards would be completed as soon as possible. The Government would consider whether any pay adjustment should be made after the PLS was completed, hopefully by the end of the first quarter of 2007, through an improved annual pay adjustment mechanism. In response to Mr LEE Cheuk-yan, <u>SCS</u> said that she would not rule out the possibility of a civil service pay adjustment in 2007-08.

Selection of private organizations for the Pay Level Survey

- 49. <u>Mr TAM Yiu-chung</u> was concerned about the impact on the PLS as, out of the 208 private organizations invited to participate in the survey, only around 100 organizations agreed to join.
- 50. <u>SCS</u> replied that based on the Phase One Consultant's recommended methodology, the findings of the PLS would be professionally recognized as credible if about 70 private organizations were involved in the survey. Hence the fact that around 100 private organizations had agreed to join the survey should be able to meet the requirement of the survey. The depth and width of the current PLS was unprecedented. Since September 2006, the Phase Two Consultant had got in contact with the private organizations and explained to them the survey methodology, the job briefs prepared for the survey and the information required from the organizations. A small number of the organizations had started forwarding the detailed pay data to the consultant.
- 51. <u>Mr TAM Yiu-chung</u> asked whether the same number of private organizations was studied in previous surveys, including the PTSs.
- 52. <u>SCS</u> replied that the last PLS was held in the 1980s and the number of private organizations involved was relatively small and should not be used for comparison purpose. As regards the PTSs conducted up to 2002, usually 70 to 100 private organizations were studied.
- 53. Mr LEE Cheuk-yan was concerned that it was not clear whether the private organizations participating in the survey were large or small organizations. If only a very small number of jobs in these organizations were available for comparison with a particular civil service post, the outcome of the comparison might not accurately reflect the suitable pay level for the civil service post. He requested that the following information should be provided to the Panel:

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- (a) the size of the private organizations; and
- (b) the posts selected for comparison with the civil service posts.
- 54. Ms LI Fung-ying shared Mr LEE's concern and said that since only about 100

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private organizations out of a total of 208 organizations had agreed to join the PLS, she was concerned whether the 100 odd organizations represented the economic sectors suitable for comparison with the civil service. Furthermore, jobs might not be available in the private sector for comparison with certain civil service posts, in view of the different job nature and responsibilities. She requested the Administration to provide detailed information regarding the economic sectors of the 100 odd private organizations joining the PLS, and the number of staff in their organizations.

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55. SCS responded that the private organizations invited to join the PLS covered all major economic sectors in Hong Kong. The objective was to make available about 10 private organizations which had jobs with similar job nature and level of responsibilities for comparison with each benchmark civil service post. Based on the information collected from the private organizations, the consultant would assess the nature and contents of the jobs and report to the Civil Service Bureau (CSB) whether the private sector jobs were suitable for comparison with civil service posts for the purpose of the PLS. The CSB would consult the staff sides regarding the findings. She reiterated that in the selection of the 208 private organizations for the PLS, the Government had consulted the Consultative Group on Civil Service Pay Adjustment Mechanism (CG) which was an established forum for the Administration and staff side representatives to exchange views and discuss issues relating to the development of an improved pay adjustment mechanism for the civil service. The staff sides fully understood that under the adopted methodology, it was acceptable for about 70 to 100 private organizations, each having more than 100 staff, to join the PLS.

#### VI Any other business

56. There being no other business, the meeting ended at 12:50 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
11 December 2006