LC Paper No. CB(1)1671/04-05(02)

The Administration's reply to
Hon SIN Chung-kai's letter dated 6 May 2005

X   X   X   X   X   X

Question 5: **Please list out the establishment of the HKTB since 99/00, including the number of staff members of different grades, number of staff members in each overseas office and the salary range of each grade.**

Reply to Question No. 5:

The headcount establishment of the Head Office of the HKTB was reduced from 325 in 1999-2000 to 226 in 2005-06, i.e. by 30%. Table 1 below shows the headcount establishment and salary range of each of the four bands in the Head Office from 1999/00. As to salary levels, they are divided into four bands. Each band covers several ranks. The salary range of each band is the mid-point salary of the lowest rank and the highest rank within the band. This is in line with the recommendation of the Hay Group Consultancy Study.

In 1985, in pursuance of a review of the compensation and benefits of its staff, the former Hong Kong Tourist Association (HKTA) approved the proposal to delink the salary scale of their staff from the civil service pay scale and benchmark the salary scale with the market, except for the Executive Director (ED) and the Deputy Executive Director (DED). The remuneration package of the ED and DED was still pegged to the Directorate scale of the Government Master Pay Scale at that time, with other allowances similar to civil service package such as accommodation and education allowances, that were not reflected in the base salary. In 2001, the former HKTA approved, and the Government endorsed, the remuneration package for ED should be revamped with salary level de-linked from the Government Master Pay Scale and pegged with the market level, and the same for DED in 2002. The fringe benefits mentioned above were no longer separately remunerated. The new package was applied to the new ED recruited in 2001 through open recruitment. Hence, there was no change in salary range for Bands B to D from 1999-2000 to 2003-04 because of salary freeze and changes were introduced to Band A in 2000-01.

Table 1   Headcount establishment and salary range of staff in Head Office of the HKTB

	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Total Headcount Establishment	**325**	**271**	**222**	**222**	**222**	**226**	**226**
Band A							
Headcount	7	7	7	7	8	8	7
Salary Range (HK$)	94,350-154,150	94,350-250,000	94,350 - 250,000	94,350 - 250,000	94,350 - 250,000	120,980 – 252,730	120,980 – 252,730
Band B							
Headcount	32	34	41	42	41	41	43
Salary Range (HK$)	50,120 – 79,595	50,120 – 79,595	50,120 – 79,595	50,120 – 79,595	50,120 – 79,595	41,038 – 90,192	41,038 – 90,192
Band C							
Headcount	129	104	98	98	103	105	103
Salary Range (HK$)	21,465 –35,400	21,465 –35,400	21,465 – 35,400	21,465 – 35,400	21,465 – 35,400	21,554 – 31,923	21,884 – 31,923
Band D							
Headcount	157	126	76	75	70	72	73
Salary Range (HK$)	7,750 – 14,970	7,750 – 14,970	7,750 – 14,970	7,750 – 14,970	7,750 – 14,970	8,885 – 17,708	8,885 – 17,708

The HKTB commissioned an independent human resources consultant (Hay Group) in 2002 to conduct a comprehensive comparison of the compensation and benefits for each level of staff in the organization with those in the market; devise a set of benchmarks by making reference to relevant positions in comparable organization; and recommend appropriate remuneration packages.   The Hay Group completed its report in 2004.   Starting from 2004-05, the mid-point salary for each rank was set in accordance with the recommendation of the Hay Group by making reference to the median salary of comparable rank in the market. The actual salary of individual staff will be determined by his qualification, experience, skills as well as the performance and should be within + or – 25% of the mid-point salary of the respective rank.   As this mechanism for the setting of salary level was introduced since 2004, the current salary of some staff may fall outside the + or – 25% range but HKTB is working to gradually migrate them to the appropriate level.

X   X   X   X   X   X