

LEGISLATIVE COUNCIL BRIEF

2008-09 CIVIL SERVICE PAY ADJUSTMENT

INTRODUCTION

At the meeting of the Executive Council on 10 June 2008, the Council ADVISED and the Chief Executive ORDERED that the pay offers, i.e. a pay increase of 6.30% for the directorate and civil servants in the upper salary band and 5.29% for civil servants in the middle and the lower salary bands with effect from 1 April 2008, should be adopted.

JUSTIFICATIONS

2. Pursuant to the decision of the Chief Executive (CE)-in-Council on 3 June 2008, the Administration has put the pay offers of an increase of 6.30% for directorate and civil servants in the upper salary band and an increase of 5.29% for civil servants in the middle and lower salary bands, with retrospective effect from 1 April 2008, to the staff sides of the four central consultative councils for further consultation. All the staff sides of the central consultative councils, except the Hong Kong Chinese Civil Servants' Association (as a constituent of the Senior Civil Service Council) accept the pay offers. The Hong Kong Chinese Civil Servants' Association insists that there should be a 6.30% pay increase across the board for all civil servants.

3. Having regard to the staff sides' reaction and all relevant factors, the CE-in-Council decided that civil service pay in 2008-09 should be adjusted in accordance with the pay offers made.

OTHER RELATED ISSUES

Judges and Judicial Officers

4. On 20 May 2008, the CE-in-Council decided, among others, that in considering any adjustments to be offered to the Judiciary this year and in the future, the pay reductions applied to the civil service in 2002-03, 2003-04 and 2004-05 should be set aside permanently for judges and judicial officers (JJOs). The CE-in-Council further decided that as an interim measure pending the establishment of the institutional framework

for the determination of judicial remuneration, if the 2008-09 adjustment rate for the directorate and upper band civil servants results in civil service pay being higher than that of JJOs at comparable level(s), a pay adjustment for JJOs should be offered to bring their pay to the same level as their civil service counterparts in dollar terms. Accordingly, with retrospective effect from 1 April 2008, the pay for JJOs equivalent to or above D3 should be increased by 6.25% to 6.29%, and that for JJOs below D3 by 0.19% to 0.24%, in accordance with the interim arrangement.

IMPLICATIONS

5. The Basic Law, financial and economic implications of the decision are the same as set out in the Legislative Council Brief on this subject issued on 3 June 2008.

PUBLICITY

6. The Secretary for the Civil Service has informed the staff sides earlier today (10 June) of the CE-in-Council's decision on the 2008-09 civil service pay adjustment. A press release will be issued later today and a spokesman will be made available to handle media enquiries. We will invite the Finance Committee of the Legislative Council to approve the pay adjustment and note the related financial implications at its meeting to be held on 4 July 2008.

SUBJECT OFFICER

7. Enquiries on this brief should be addressed to Mr. Chris Sun, Principal Assistant Secretary for the Civil Service (tel: 2801 3112).

Civil Service Bureau
10 June 2008