

立法會 *Legislative Council*

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Panel on Public Service Meeting on 15 December 2008

Background brief on grade structure reviews

Purpose

This paper sets out the background to the grade structure reviews (GSRs) for the disciplined services grades, directorate grades and selected non-directorate civilian grades. It also summarizes the views and concerns expressed by members when the subject was discussed by the Panel on Public Service (the PS Panel).

Background

Civil service pay policy

2. The Government's civil service pay policy is to offer sufficient remuneration to attract, retain and motivate staff of a suitable calibre to provide the public with an efficient and effective service; and such remuneration is to be regarded as fair by both civil servants and by the public they serve through broad comparability between civil service and private sector pay.

Grade structure reviews for disciplined services and directorate grades

3. To ensure that civil service pay is broadly comparable with the private sector, it is the Government's policy to conduct a pay level survey (PLS) once every six years using the broadly-defined job family and job level method. The last PLS was conducted in 2006. The disciplined services grades and the directorate grades were not covered in the 2006 PLS because of the lack of market comparators for the former, and the need to adopt a different survey methodology for the latter¹. After consultation with the relevant advisory bodies on civil service salaries and conditions of service, the Chief Executive-in-Council decided that the results of the 2006 PLS should be applied to these grades using the existing set of internal relativities. The Administration considers that the validity and propriety of this set

¹ According to the Administration, the survey methodology used in the 2006 PLS, which emphasized on "broad comparability" rather than specific responsibilities of the jobs, was not suitable for application to the directorate grades.

of internal relativities should be ascertained through the conduct of GSRs for the disciplined services and the directorate grades².

Grade structure reviews for selected non-directorate civilian grades

4. While the broad comparability of the pay level of non-directorate civilian grades have been established in the 2006 PLS, the Administration is aware that some grades and ranks are facing recruitment and retention difficulties, and such problems have not been and cannot be addressed through the service-wide PLS. The Administration therefore considers it necessary to conduct GSRs for selected non-directorate civilian grades with proven serious recruitment and retention difficulties.

Independent grade structure reviews

5. In line with past practices and to enhance the credibility of the proposed GSRs, the reviews are conducted independently by relevant advisory bodies on civil service salaries and conditions of service, as follows:

- (a) the Standing Committee on Disciplined Services Salaries and Conditions of Services (the Standing Committee) to conduct GSRs for all the disciplined services grades;
- (b) the Standing Committee on Directorate Salaries and Conditions of Service to conduct GSRs for the directorate grades; and
- (c) the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) to conduct GSRs on those grades identified by heads of grades (HoGs) and heads of departments (HoDs) as having encountered serious recruitment and retention difficulties in the past few years, namely the Government Counsel grade³ and the Veterinary Officer grade⁴.

6. The Administration envisages that the relevant advisory bodies will complete the GSRs and submit their recommendations to the Administration in late 2008. If the recommendations of the relevant advisory bodies arising from the GSRs would include any proposed change in the rank or pay structure of civil service grades and ranks, then subject to the decision of the Chief Executive-in-Council, the Administration will seek the approval of the

² Similar reviews were conducted in the past. The last comprehensive review for disciplined services grades was conducted in 1988 by a Review Committee on Disciplined Services Pay and Conditions of Service. The Standing Committee on Disciplined Services Salaries and Conditions of Service has also conducted a number of reviews on a much smaller scale on particular disciplined services grades and ranks since its establishment in 1989. The last comprehensive grade structure review for the directorate grades was conducted in 1989.

³ The Government Counsel grade comprises two ranks at the non-directorate level, namely the Government Counsel rank and the Senior Government Counsel rank, serving mainly in the Department of Justice. As the Government Counsel grade has identical rank structure with the Legal Aid Counsel grade and the Solicitor grade, the Standing Commission, at the invitation of the Administration, has also included the two latter grades in the course of conducting GSR for the Government Counsel grade.

⁴ The Veterinary Officer grade comprises two ranks, namely the Veterinary Officer rank and the Senior Veterinary Officer rank, working mainly in the Agricultural, Fisheries and Conservation Department and the Food and Environmental Hygiene Department.

Establishment Subcommittee and the Finance Committee of the Legislative Council in accordance with the established practice.

Major views and concerns expressed by members

7. The Administration briefed the PS Panel on the proposed GSRs at the meetings on 19 November 2007 and 21 January 2008. The major views and concerns expressed by members and the Administration's responses are summarized below-

(a) Purpose and implications of GSRs

- Members considered that the Administration should not use GSRs as a means to make way for upward pay adjustments. GSRs must be conducted with thorough consultation with the staff concerned and with safeguards against possible implications detrimental to civil service stability, as some civil servants were concerned that the reviews might result in the deletion of certain grades or ranks and hence affecting the promotion opportunities of the officers concerned.
- The Administration advised that it was undesirable and inappropriate to speculate or pre-empt the outcome of the reviews, such as an upward pay adjustment, as GSRs would be conducted independently by the relevant advisory committees based on their self-determined methodology.

(b) GSRs for directorate grades

- Some members were of the view that as the directorate grades posts were mainly filled by internal promotions, and currently there were no recruitment and retention difficulties, GSRs for the directorate grades were not necessary. In this connection, the Panel noted the Administration's advice that as all the three pay surveys (i.e. PLS, the Starting Salaries Survey and the Pay Trend Survey) did not cover the directorate grades, a GSR was considered necessary to keep the grade structure and the terms and conditions of service for directorate officers abreast of the market situation.
- Some members doubted whether it was appropriate to compare civil service directorate posts with the supervisory or managerial posts in the private sector, in view of the difference in job security and income stability.

(c) GSRs for selected non-directorate civilian grades

- Some members were concerned about the objectivity in the selection of non-directorate civilian grades for review, since HoGs/HoDs had the discretion to recommend grades for review. The Administration had advised that the Standing Commission, being an independent body, could on its own volition conduct a review on the structure of any civil service grade.
- Some members queried the propriety of proposing a GSR purely based on the unnatural wastage rate of a civil service grade. The Administration had advised that in proposing a GSR for a civil service grade, the Government had taken into consideration not only the unnatural wastage rate, but also the recruitment situation.

Recent development

8. In July 2008, the Police Force Council Staff Associations (PFC Staff Associations) wrote to the Standing Committee, expressing their concern about the staff consultation process for GSR. The letter dated 24 July 2008 from the PFC Staff Associations and the reply dated 29 July 2008 from the Standing Committee were copied to members of the PS Panel vide LC Paper No CB(1)2234/07-08 on 31 July 2008.

9. The relevant advisory bodies on civil service and salaries and conditions of service have completed their respective GSRs and submitted recommendations to the Administration in November 2008. The Administration will update the PS Panel on the progress of GSRs at the meeting on 15 December 2008.

References

10. A list of relevant papers is in the **Appendix**.

Council Business Division 1
Legislative Council Secretariat
9 December 2008

Grade structure reviews

List of relevant papers

Committee	Paper	LC Paper No.
<p>Meeting of the PS Panel on 19 November 2007</p>	<ul style="list-style-type: none"> <li data-bbox="515 477 1062 712"> <p>✧ Administration's paper on grade structure reviews</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/papers/ps1119cb1-206-3-e.pdf</p> <li data-bbox="515 757 1062 992"> <p>✧ Minutes of meeting (paragraphs 4 to 19)</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/minutes/ps071119.pdf</p> <li data-bbox="515 1037 1062 1429"> <p>✧ Administration's response to the question raised by the Panel at the meeting held on 19 November 2007 on reforms introduced since 1999 to the management of the civil service</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/papers/ps1119cb1-444-1-e.pdf</p> 	<p>CB(1)206/07-08 (03)</p> <p>CB(1)375/07-08</p> <p>CB(1)444/07-08 (01)</p>
<p>Meeting of the PS Panel on 21 January 2008</p>	<ul style="list-style-type: none"> <li data-bbox="515 1476 1062 1744"> <p>✧ Administration's paper on grade structure reviews for non-directorate civilian grades</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/papers/ps0121cb1-567-3-e.pdf</p> <li data-bbox="515 1789 1062 2024"> <p>✧ Minutes of meeting (paragraphs 6 to 22)</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/minutes/ps080121.pdf</p> 	<p>CB(1)567/07-08 (03)</p> <p>CB(1)792/07-08</p>

Committee	Paper	LC Paper No.
	<p>✧ Administration's response to the question raised at the meeting of the Panel held on 21 January 2008 on the retention and recruitment situations of civil service grades selected for non-directorate civilian grade structure reviews</p> <p>http://www.legco.gov.hk/yr07-08/english/panels/ps/papers/ps0121cb1-795-1-e.pdf</p>	CB(1)795/07-08 (01)