

政府總部
公務員事務局
香港添馬添美道2號
政府總部西翼



**CIVIL SERVICE BUREAU
GOVERNMENT SECRETARIAT**
WEST WING
CENTRAL GOVERNMENT OFFICES
2 TIM MEI AVENUE, TAMAR
HONG KONG

本函檔號 Our Ref.: CSBCR/PG/4-085-001/80

來函檔號 Your Ref.: CB4/PL/PS

電話號碼 Tel. No.: 2810 3259

傳真號碼 Fax No.: 2501 0669

電郵地址 E-mail Address: csbts@csb.gov.hk

網址 Homepage Address: <http://www.csb.gov.hk>

28 June 2018

Clerk to Panel on Public Service
Legislative Council
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Attn: Ms Maggie CHUNG)

Dear Ms Chung,

**Legislative Council Panel on Public Service
Submission from a member of the public**

Thank you for your letter of 14 June 2018 to the Secretary for the Civil Service relaying the enquiries and views made by Mr Li, a member of the public, on civil service pay adjustment matters. Our reply is as follows.

Delineation of Salary Bands

The annual civil service pay adjustment is applied to the three salary bands (i.e. upper, middle and lower) in accordance with the established mechanism. The three salary bands are delineated by pay points as follows –

- (a) Upper: Above Master Pay Scale (MPS) 33 to General Disciplined Services (Officer) Pay Scale (GDS(O)) 39 or equivalent, viz. \$67,066 to \$135,075¹;
- (b) Middle: From MPS 10 to 33 or equivalent, viz. \$21,880 to \$67,065¹; and
- (c) Lower: Below MPS 10 or equivalent, viz. below \$21,880¹.

¹ According to the pay scales which took effect from 1 April 2017.

Pay Lead Among Pay Points

Mr Li has expressed concern about the pay lead among pay points, particularly the pay lead between MPS 33A (the dollar value of which is the same as MPS 34, i.e. the lowest pay point in the upper salary band of MPS) and 33 (\$205), which is smaller than that between other pay points in the pay scale. As a matter of fact, there is no specific pay lead among different pay points in the pay scales. The application of different annual pay adjustment rates to the salary bands also changes the pay lead. The existing pay lead between MPS 34 (or 33A) and 33 originates from the civil service pay adjustment last year (2017-18). In that exercise, civil servants in the upper salary band (including those remunerated at MPS 34) experienced a pay increase of 1.88%, while the pay for those in the lower and middle salary bands (including those remunerated at MPS 33) was increased by 2.94%. If the salaries for the upper and middle salary bands were adjusted according to the relevant rates of adjustment, the dollar value of the lowest pay point of the upper salary band would be lower than that of the highest pay point of the middle salary band. To rectify the situation, the Chief Executive-in-Council (CE-in-Council) adopted an arrangement similar to that of the 2009-10 civil service pay adjustment² by giving a one-off top-up pay rise for MPS 34 (or 33A and other equivalent pay points), making its dollar value \$205 more than that of MPS 33 (the total pay increase for that pay point became 2.33%, higher than other pay points in the upper salary band). As a similar situation also occurred in the pay adjustment exercise this year (2018-19), the CE-in-Council thus decided to apply a pay lead of \$500 between MPS 34 (or 33A and other equivalent pay points) and the pay point immediately below it as a one-off rectification again.

Mr Li is concerned whether the dollar value of MPS 34 (or 33A) will eventually exceed that of MPS 35 (or 33B). The answer is in the negative. When deciding on the annual civil service pay adjustment, the CE-in-Council gives due consideration to and balances all the relevant factors. The CE-in-Council also ensures that the pay scales are reasonable, including the fact that the dollar value of a higher pay point should not be lower than that of a lower pay point in the same pay scale.

² That year, civil servants in the upper salary band experienced a pay cut of 5.38%, while the pay for civil servants in the lower and middle salary bands was frozen. To ensure that the lowest pay point in the upper salary band would not be lower than the highest pay point in the middle salary band, the CE-in-Council approved that no pay point in the upper salary band should be less than \$48,700 (i.e. \$300 above the upper limit of \$48,400 of the middle salary band) after the pay reduction.

Fringe Benefits for Officers Remunerated at MPS 33A

Mr Li queried that since the pay level of MPS 33A, which is identical in dollar value to MPS 34, belongs to the upper salary band, why would officers remunerated at this pay point not be eligible for the same housing benefits as those remunerated at MPS 34. In this connection, MPS 33A, and the subsequent 33B and 33C, were introduced in accordance with the recommendations put forward by the Standing Commission on Civil Service Salaries and Conditions of Service (SCCS) in its Report No. 25 published in March 1990. The SCCS pointed out in the Report that civil servants' eligibility for housing benefits should not be determined purely by reference to their salary levels. Instead, the nature and level of responsibility exercised by the officer as well as his status in the civil service hierarchy should be considered. On the other hand, the SCCS was of the view that although officers of certain ranks might not be eligible for housing benefits, the job features of those ranks could still be given due recognition in salary terms. In order to differentiate between officers remunerated on the same salary point but having different entitlements to housing benefits, the SCCS proposed different designations to differentiate their pay points. MPS 33A, 33B and 33C were therefore introduced, with identical dollar values to the existing MPS 34, 35 and 36 respectively.

Civil Service Pensions Calculations

The calculation of civil service pensions is governed by the relevant pensions legislation. An officer's pension is calculated on the basis of a number of factors including his/her highest annual pensionable emoluments, length of service and pension factor under the respective pension schemes. Mr Li's views on civil service pensions calculations are noted.

Thank you once again for the Panel and Mr Li's concerns about civil service pay issues.

Yours sincerely,



(Ms Bernadette Lam)

for Secretary for the Civil Service

cc: The Hon POON Siu-ping, BBS, MH
Chairman, Legislative Council Panel on Public Service