ITEM FOR FINANCE COMMITTEE

HEAD 96 – GOVERNMENT SECRETARIAT : OVERSEAS ECONOMIC AND TRADE OFFICES Subhead 000 Operational expenses

Members are invited to approve -

- (a) the pay scales and pay adjustment methods for locally-engaged staff in the new Hong Kong Economic and Trade Offices in Bangkok and Dubai respectively; and
- (b) the delegation of authority to the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) or an officer designated by him/her to approve the pay scales and pay adjustment methods for locally-engaged staff of overseas Economic and Trade Offices, as well as their future pay adjustments according to the pay adjustment methods.

PROBLEM

We need to determine the pay scales and pay adjustment methods for locally-engaged (LE) staff in the new Hong Kong Economic and Trade Offices (ETOs) in Bangkok and Dubai. Besides, we need to devise/review the pay scales and pay adjustment methods for LE staff engaged for new overseas ETOs to be established in future and existing overseas ETOs. Future pay adjustments will then be made according to the pay adjustment methods.

PROPOSAL

- 2. We propose to
 - (a) devise the pay scales and pay adjustment method (collectively referred to as pay arrangements) for the LE staff of the Bangkok ETO by making reference to the pay scales and annual pay adjustments of the United Nations (UN) in Thailand;
 - (b) devise the pay arrangements for the LE staff of the Dubai ETO by linking to the pay ranges and annual pay adjustments of the Dubai civil service; and
 - (c) delegate to the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) (PSCIT) or an officer designated by PSCIT the authority to approve the pay arrangements for LE staff of overseas ETOs, as well as their future pay adjustments according to the pay adjustment methods.

JUSTIFICATION

Need for setting up the two new ETOs

(i) Bangkok ETO – Strengthening Hong Kong Special Administrative Region (HKSAR)'s representation in the Association of Southeast Asian Nations (ASEAN)

3. Over the years, Hong Kong has established close economic and trade relationship with ASEAN. ASEAN, as a bloc, is Hong Kong's 2nd largest merchandise trading partner and 4th largest services trading partner. Five out of the ten ASEAN countries are among our top 20 merchandise trading partners, viz. Singapore, Thailand, Malaysia, Vietnam and the Philippines. Following the signing of the Free Trade Agreement and the related Investment Agreement between Hong Kong and ASEAN in November 2017, the HKSAR Government will be able to further strengthen its economic and trade ties with the ten member states of ASEAN to explore the huge business opportunities there. In addition, Hong Kong actively participates in and implements the Belt and Road (B&R) Initiative. The HKSAR Government is committed to strengthening its links with countries along the B&R. Being an important region of the Maritime Silk Road, ASEAN plays an indispensable role in the Initiative. The HKSAR Government therefore considers ASEAN as a priority region for development. In view of ASEAN's strong economic potentials and new business opportunities, we consider it necessary to establish a third ETO in the region, in addition to the existing two ETOs in Indonesia and Singapore respectively.

4. Thailand is Hong Kong's 8th largest merchandise trading partner and ranks second among the ASEAN member states in terms of trade in goods with Hong Kong. In Thailand, the potential target business sectors for Hong Kong include information and communication technology, consumer products, transportation, etc. The relevant Thai enterprises will actively expand their business overseas under the B&R Initiative, and there is a strong potential for them to invest or to increase their investment in Hong Kong. Therefore, we consider Thailand the most suitable country for setting up an additional ETO in ASEAN. We recommend that the ETO be located in Bangkok, the capital of Thailand.

(ii) Dubai ETO – Expanding HKSAR's economic and trade ties in the Middle East

5. The Middle East is also one of the important regions along the B&R. In recent years, the Middle East countries are diversifying their economies. There are strong potentials for investment from the region, particularly the member states of the Gulf Cooperation Council (GCC), namely the United Arab Emirates (UAE), Bahrain, Kuwait, Oman, Qatar and Saudi Arabia, to come to Hong Kong. In particular, the investment will go into the fields of fintech, transportation, logistics and advanced manufacturing industries. In addition, strengthening Hong Kong's links with the Middle East countries will help promote the development of Hong Kong's Islamic bond market. Therefore, we consider it necessary to expand Hong Kong's representation and raise its profile in the Middle East region.

6. Among the countries in GCC, Hong Kong and the UAE have established close trade and economic relations. In 2017, the UAE was Hong Kong's 15th largest merchandise trading partner and the largest among the Middle East countries. Reciprocally, Hong Kong was the UAE's 16th largest merchandise trading partner. The average annual growth rate in bilateral trade between the two places was 3.9% from 2013 to 2017. In the UAE, Dubai not only possesses advantages in business and financial services, tourism, logistics and trade, but is also well known for its rapid infrastructure and construction development. We therefore propose to set up an ETO in Dubai.

Staffing arrangement of the two new ETOs

7. The Bangkok ETO will be headed by "Director, Hong Kong Economic and Trade Affairs, Bangkok" (D(BK)) pitched at the rank of Administrative Officer Staff Grade C (D2), while the Dubai ETO will be headed by "Director-General, Hong Kong Economic and Trade Affairs, Dubai" (DGD) pitched at the rank of Administrative Officer Staff Grade B (D3).

8. The heads of the Bangkok and Dubai ETOs will each be supported by 16 non-directorate staff, comprising four Hong Kong-based officers and 12 LE staff. The non-directorate Hong Kong-based officer posts will be filled by officers of the Administrative Officer, Trade Officer, Information Officer and Executive Officer grades. The 12 LE staff are investment promotion and public relations staff as well as supporting staff performing clerical, secretarial or general administrative duties. These 16 staff will take up investment promotion, public relations, administrative and supporting duties, etc., under three units, namely "Investment Promotion Unit", "Public Relations and Administration Unit" and "Commercial Relations Unit". The proposed organisation chart of the two new ETOs is at Enclosure 1. The proposals to create D(BK) and DGD posts were endorsed by the Establishment Subcommittee of Finance Committee (FC) vide EC(2018-19)21 on 23 January 2019.

Existing mechanism of devising pay arrangements for LE staff

9. It has been our established practice for an ETO to recruit LE staff in the host cities/countries. The main reason is that the relevant positions require good local knowledge (and some positions demand good local network), and it is more economical to recruit locally than to send Hong Kong-based officers to fill the posts concerned. Besides, having regard to the ability of LE staff to command the local language in non-English speaking countries, recruiting LE staff is more conducive to the work of the ETOs.

10. In devising the remuneration package for LE staff, i.e. pay scales, pay adjustments and fringe benefits, we adhere to the following principles –

- (a) In line with the principles of the Hong Kong civil service pay policy, the pay scales of LE staff should be maintained at a reasonable and sufficiently competitive level so as to attract, retain and motivate suitable staff to join and continue to work in the ETOs; and
- (b) Separate remuneration packages should be devised having regard to the respective circumstances of the individual overseas ETOs.

11. In line with the above principles, we have adopted the following mechanism to ensure objectiveness and consistency of remuneration packages for LE staff –

Encl. 1

/(a)

- (a) to devise the pay scales for LE staff of an ETO by referring to a set of objective parameters, including (i) the nature and level of complexity of the LE posts; (ii) entry requirements in terms of qualification and experience commensurate with the job, etc.; and (iii) the pay levels for comparable job positions in the local employment market, including civil service, major international organisation(s) (such as the World Trade Organization (WTO), the UN, etc.) which have offices in the host countries/cities as well as the market trend in the host cities/countries so as to maintain broad comparability of pay levels between the LE staff of the ETOs and similar job positions in the local employment market;
- (b) to devise the pay adjustment methods by making reference to the pay adjustment index/rate of the local civil service or local staff of comparable international organisations, major economic/wage figures, and/or the latest market pay trend in the host cities/countries, so as to keep in pace with the latest pay levels of the local employment market; and
- (c) to devise other terms and conditions of employment for LE staff, including a range of fringe benefits such as leave, medical and dental benefits, employees' compensation, retirement benefits, etc. to ensure that they are in compliance with local legislation and comparable to the local employment practices.

Pay arrangements for LE staff in the new Bangkok and Dubai ETOs

12. We have commissioned an international Human Resources consultant to conduct studies for devising the remuneration packages for the LE staff of the Bangkok and Dubai ETOs respectively in accordance with the principles set out in paragraph 10 and the mechanism in paragraph 11 above. Our consultant is one of the leading global professional human resource consulting firms providing clients with solutions relating to human capitals, talent management, etc. It maintains a comprehensive database on the latest pay levels of the local employment in major countries, including Thailand and the UAE. We agree to its recommendations on the pay arrangements for the LE staff of the Bangkok and Dubai ETOs as detailed in paragraphs 13 to 16 below.

FCR(2018-19)81

(i) Proposed pay arrangements for LE staff in the Bangkok ETO

13. Taking into account the relatively less competitive pay levels of Thai civil service to local employment market, the comprehensive coverage and transparency of the UN's pay scales, as well as the comparable nature of the jobs between the UN's local staff in Thailand and the Bangkok ETO's LE staff, the consultant recommended that we devise the pay scales of the LE staff of the ETO by making reference to those of the UN and applying discount factors to the UN's pay levels to ensure that the pay levels¹ for the LE staff are reasonable, competitive and comparable to that of the local market. The proposed pay scales are set out at Enclosure 2.

Encl. 2

14. To keep the pay levels of the LE staff of the Bangkok ETO competitive, the consultant proposed to adjust annually the pay of the LE staff by following the annual pay adjustments made by the UN for its local staff in Thailand.

(ii) Proposed pay arrangements for LE staff in the Dubai ETO

15. Taking into account that there are positions in the Dubai civil service which perform similar duties as those of the LE staff of the Dubai ETO, and that their pay levels are competitive to those in the local employment market, the consultant recommended that the Dubai civil service's pay ranges for the relevant positions should be adopted for devising the pay scales of the LE staff of the Dubai ETO. The proposed pay scales² are set out at Enclosure 3.

16. To keep the pay levels of the LE staff of the Dubai ETO competitive, the consultant proposed to adjust annually the pay of the LE staff by following the annual pay adjustments made by the Dubai civil service.

17. Apart from salary, the LE staff of the Bangkok and Dubai ETOs will also enjoy fringe benefits, such as medical benefit, work-related accident benefits, provident fund/pension/gratuity and leave. These are consistent with local legislations and employment practices. The summaries of the fringe benefits for LE staff in the Bangkok and Dubai ETOs as recommended by the consultant are at Enclosures 4 and 5 respectively.

Encls. 4 & 5

Encl. 3

/Proposed

¹ The consultant suggested that the LE posts should be categorised into six pay scales, ranging from LE I to LE VI, and the pay levels under LE I, LE II to V, and LE VI would be at 90%, 70% and 50% of the corresponding pays of the comparable jobs in UN.

² The consultant proposed that the LE posts of the Dubai ETO should be categorised into six pay scales, ranging from LE I to LE VI.

Proposed delegation of authority to approve the pay arrangements for LE staff in new and existing ETOs

18. It is our established practice to devise/review the pay arrangements, i.e. pay scales and pay adjustment methods, of LE staff of overseas ETOs accordance with the principles and mechanism in set out in paragraphs 10 and 11 above respectively. Currently, these pay arrangements are approved by the FC, and the annual pay adjustments, which are made in accordance with the approved pay adjustment methods are approved by the Secretary for Financial Services and the Treasury.

19. To consolidate and further enhance Hong Kong's presence in the international arena, we will sustain our efforts in setting up new ETOs. When new ETOs are set up, there is a need to devise pay arrangements for their LE staff. For existing ETOs, we may need to review the pay arrangements for LE staff every so often under specific circumstances³. The overall objective is to ensure that the pay arrangements are maintained at a reasonable and sufficiently competitive level so as to attract suitable people to join the respective ETOs, and to retain and motivate staff working in the ETOs.

20. Devising/review of the pay arrangements for LE staff of new and existing ETOs is abided by the laid down principles and mechanism (as set out in paragraphs 10 and 11 above). The related work is relatively straightforward and is carried out by the Commerce and Economic Development Bureau which oversees the operation of overseas ETOs. Besides, the number of staff⁴ and resources involved are very small. In view of the aforesaid and to further streamline the process, we propose to delegate to PSCIT, or an officer designated by PSCIT, the authority to approve the pay arrangements, i.e. the pay scales and pay adjustment methods, for LE staff of overseas ETOs, as well as future pay adjustments according to the respective approved pay adjustment methods.

FINANCIAL IMPLICATIONS

21. The proposal of setting up the Bangkok and Dubai ETOs will involve additional estimated annual expenditures of \$29.3 million and \$29.7 million respectively, of which the employment of LE staff will require around \$3.5 million for the Bangkok ETO and around \$6.1 million for the Dubai ETO. We have earmarked sufficient funding provision to meet the cost of the proposal.

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³ Such circumstances are when the departments of the local governments or the organisations from which we previously decided to draw reference no longer exist, or when the governments/organisations no longer publish full details of their pay adjustments, etc.

⁴ ETOs each have several sets of pay scales and each pay scale only covers a few or even just one LE staff member.

PUBLIC CONSULTATION

22. We consulted the Legislative Council Panel on Commerce and Industry on the proposal to set up five new ETOs in Bangkok, Dubai, Moscow, Mumbai and Seoul respectively on 17 July 2018. At the meeting, we also briefed the Panel on the general principles and existing mechanism for devising the pay arrangements for LE staff in the existing and new ETOs including the Bangkok and Dubai ETOs, as well as the proposal for seeking FC's agreement to delegate its authority to approve the pay arrangements, i.e. the pay scales and pay adjustment methods, for LE staff in the new and existing ETOs, and the annual pay adjustments according to the respective approved pay adjustment methods to PSCIT or an officer designated by PSCIT. The Panel supported the proposal to set up the five new ETOs and the proposed delegation of approving authority.

BACKGROUND

23. The HKSAR Government has a total of 12 overseas ETOs located in Berlin, Brussels, Geneva, Jakarta, London, New York, San Francisco, Singapore, Sydney, Tokyo, Toronto and Washington DC respectively, covering Asia, Australia, Europe and North America, as well as Hong Kong's many major trading and investment partners. The ETOs are the official representatives of the HKSAR Government in countries under their respective coverages. With the exception of the Geneva ETO⁵, the other 11 ETOs handle bilateral economic and cultural matters between Hong Kong and countries under their purviews. The ETOs maintain close contact with local government officials, chambers of commerce, the media, etc., and organise/co-organise with other Hong Kong overseas agencies various promotional activities to publicise the advantages and latest developments of Hong Kong.

24. As a prevailing practice, when a new ETO is to be set up, the Government will seek FC's approval for the proposed pay scales of the LE staff (forming part of establishment of the HKSAR Government) and the pay adjustment method, where applicable.

25. On the basis of FC's decisions on 12 July 1991 (regarding the Geneva ETO), 11 December 1992 (regarding the Brussels ETO), 16 May 1997 (regarding eight ETOs in London, New York, San Francisco, Singapore, Sydney, Tokyo,

/Toronto

⁵ The Geneva ETO represents Hong Kong, China at the WTO and the Trade Committee of the Organisation for Economic Co-operation and Development, and is mainly responsible for handling matters in relation to these organisations.

Toronto and Washington DC respectively) and 24 June 2016 (regarding the Jakarta ETO), a summary of the pay arrangements for the existing overseas ETOs (except the Berlin ETO which has not established pay arrangements for its staff recruited locally⁶) is as follows –

ЕТО	FC approval	Basis for determining pay scale for LE staff	Basis for pay adjustment
Geneva	12.7.1991	WTO (formerly known as General Agreement on Tariffs and Trade)	WTO
Brussels	11.12.1992	World Customs Organization (WCO) (formerly known as Customs Cooperation Council)	WCO
London	16.5.1997	United Kingdom civil service	Department for Business, Energy and Industrial Strategy (formerly known as Department of Trade and Industry)
Singapore	16.5.1997	British Embassy/ British Consulate General/ British High Commission	Singaporean civil service
Sydney	16.5.1997	British Embassy/ British Consulate General/ British High Commission	Australian Public Service, as determined by the Australian Industrial Relations Commission
Tokyo	16.5.1997	British Embassy/ British Consulate General/ British High Commission	Japanese civil service, as determined by the National Personnel Authority
Toronto	16.5.1997	British Embassy/ British Consulate General/ British High Commission	Federal Government of Canada

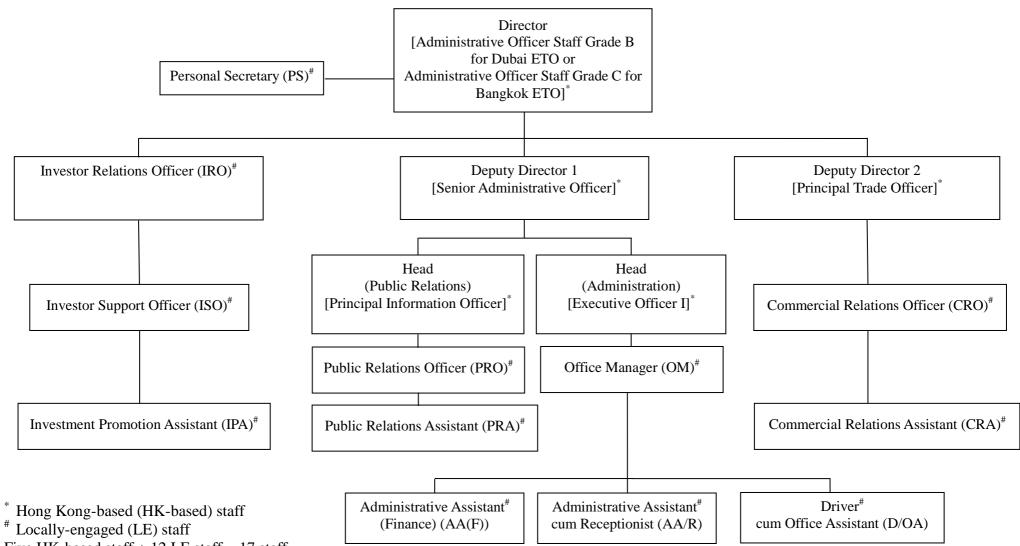
/New York,

⁶ A consultancy study is being conducted to recommend the remuneration packages, including the pay arrangements, for the local staff of the Berlin ETO.

ЕТО	FC approval	Basis for determining pay scale for LE staff	Basis for pay adjustment
New York,	16.5.1997	British Embassy/	United States Federal
San Francisco		British Consulate General/	Government
and		British High Commission	
Washington			
Jakarta	24.6.2016	UN	UN

Commerce and Economic Development Bureau February 2019





Five HK-based staff + 12 LE staff = 17 staff

Proposed Pay Scales for Locally-engaged Staff of Bangkok Economic and Trade Office

		Salary Steps Annual Salaries in Thai Baht (Annual Salaries in Hong Kong Dollars) ^{Note} [Monthly Salaries in Hong Kong Dollars]													
LE Level	Post	I	п	III	IV	V	VI	VII	VIII	IX	X	XI	ХП	XIII	XIV
Ι	IRO	2,079,229 (495,688) [38,130]	2,202,968 (525,188) [40,399]	2,326,707 (554,687) [42,668]	2,450,447 (584,187) [44,937]	2,574,186 (613,686) [47,207]	2,697,926 (643,186) [49,476]	2,821,666 (672,685) [51,745]	2,945,405 (702,185) [54,014]	3,069,145 (731,684) [56,283]	3,192,884 (761,184) [58,553]	3,316,624 (790,683) [60,822]	3,440,363 (820,183) [63,091]	3,564,103 (849,682) [65,360]	3,687,843 (879,182) [67,629]
II	OM ISO	1,276,552 (304,330) [23,410]	1,350,894 (322,053) [24,773]	1,428,510 (340,557) [26,197]	1,506,125 (359,060) [27,620]	1,583,741 (377,564) [29,043]	1,661,357 (396,068) [30,467]	1,738,972 (414,571) [31,890]	1,816,588 (433,075) [33,313]	1,894,204 (451,578) [34,737]	1,971,820 (470,082) [36,160]	2,049,436 (488,586) [37,584]	2,127,052 (507,089) [39,007]	2,204,668 (525,593) [40,430]	2,282,283 (544,096) [41,854]
III	PRO CRO IPA	917,557 (218,746) [16,827]	973,737 (232,139) [17,857]	1,029,918 (245,532) [18,887]	1,086,098 (258,926) [19,917]	1,142,279 (272,319) [20,948]	1,198,460 (285,713) [21,978]	1,254,640 (299,106) [23,008]	1,310,821 (312,500) [24,038]	1,370,282 (326,675) [25,129]	1,430,533 (341,039) [26,234]	1,490,785 (355,403) [27,339]	1,551,037 (369,767) [28,444]	1,611,289 (384,131) [29,549]	1,671,540 (398,495) [30,653]
IV	PS	629,208 (150,003) [11,539]	666,705 (158,942) [12,226]	704,203 (167,882) [12,914]	741,700 (176,821) [13,602]	779,197 (185,761) [14,289]	816,694 (194,700) [14,977]	854,192 (203,639) [15,665]	892,116 (212,680) [16,360]	931,134 (221,982) [17,076]	970,151 (231,284) [17,791]	1,009,168 (240,586) [18,507]	1,048,186 (249,888) [19,222]	1,087,203 (259,189) [19,938]	1,126,220 (268,491) [20,653]
V	PRA CRA AA(F) AA/R	520,527 (124,094) [9,546]	551,776 (131,543) [10,119]	583,026 (138,993) [10,692]	614,275 (146,443) [11,265]	645,524 (153,893) [11,838]	676,773 (161,343) [12,411]	708,022 (168,792) [12,984]	739,271 (176,242) [13,557]	770,520 (183,692) [14,130]	801,769 (191,142) [14,703]	833,018 (198,591) [15,276]	864,268 (206,041) [15,849]	896,099 (213,630) [16,433]	928,614 (221,382) [17,029]
VI	D/OA	236,151 (56,298) [4,331]	249,730 (59,536) [4,580]	263,308 (62,773) [4,829]	276,887 (66,010) [5,078]	290,465 (69,247) [5,327]	304,043 (72,484) [5,576]	317,774 (75,757) [5,827]	332,057 (79,162) [6,089]	346,341 (82,568) [6,351]	360,625 (85,973) [6,613]	374,909 (89,378) [6,875]	389,192 (92,783) [7,137]	403,476 (96,189) [7,399]	417,760 (99,594) [7,661]

^{Note} The Hong Kong dollars equivalence is set out above for reference purpose (based on the exchange rate of 1 THB = 0.2384 HKD as at 5.11.2018).

		Salary Steps Annual Salaries in United Arab Emirates Dirham (Annual Salaries in Hong Kong Dollars) ^{Note} [Monthly Salaries in Hong Kong Dollars]													
LE Level	Post	Ι	П	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV
Ι	IRO	340,992 (727,145) [60,595]	355,314 (757,686) [63,141]	370,237 (789,508) [65,792]	385,787 (822,668) [68,556]	401,990 (857,220) [71,435]	418,873 (893,222) [74,435]	436,466 (930,738) [77,562]	454,798 (969,829) [80,819]	473,899 (1,010,561) [84,213]	493,803 (1,053,005) [87,750]	514,543 (1,097,232) [91,436]	536,153 (1,143,314) [95,276]	558,672 (1,191,335) [99,278]	589,908 (1,257,943) [104,829]
П	OM ISO	217,296 (463,371) [38,614]	226,422 (482,831) [40,236]	235,932 (503,111) [41,926]	245,841 (524,241) [43,687]	256,167 (546,261) [45,522]	266,926 (569,204) [47,434]	278,137 (593,110) [49,426]	289,818 (618,019) [51,502]	301,991 (643,978) [53,665]	314,674 (671,023) [55,919]	327,891 (699,208) [58,267]	341,662 (728,574) [60,715]	356,012 (759,174) [63,265]	371,580 (792,372) [66,031]
III	PRO CRO IPA	164,688 (351,187) [29,266]	171,605 (365,937) [30,495]	178,812 (381,306) [31,776]	186,322 (397,320) [33,110]	194,148 (414,009) [34,501]	202,302 (431,397) [35,950]	210,799 (449,516) [37,460]	219,652 (468,395) [39,033]	228,878 (488,069) [40,672]	238,491 (508,568) [42,381]	248,507 (529,926) [44,161]	258,945 (552,185) [46,015]	269,820 (575,375) [47,948]	278,316 (593,492) [49,458]
IV	PS	138,048 (294,379) [24,532]	143,846 (306,743) [25,562]	149,888 (319,627) [26,636]	156,183 (333,051) [27,754]	162,743 (347,040) [28,920]	169,578 (361,615) [30,135]	176,700 (376,802) [31,400]	184,121 (392,627) [32,719]	191,854 (409,117) [34,093]	199,912 (426,300) [35,525]	208,309 (444,206) [37,017]	217,058 (462,863) [38,572]	226,174 (482,302) [40,192]	231,936 (494,590) [41,216]
V	PRA CRA AA(F) AA/R	93,624 (199,648) [16,637]	97,556 (208,032) [17,336]	101,654 (216,771) [18,064]	105,923 (225,874) [18,823]	110,372 (235,362) [19,614]	115,007 (245,246) [20,437]	119,838 (255,547) [21,296]	124,871 (266,280) [22,190]	130,115 (277,462) [23,122]	135,580 (289,116) [24,093]	141,275 (301,260) [25,105]	147,208 (313,912) [26,159]	153,391 (327,097) [27,258]	155,424 (331,432) [27,619]
VI	D/OA	56,364 (120,193) [10,016]	58,731 (125,240) [10,437]	61,198 (130,501) [10,875]	63,768 (135,981) [11,332]	66,447 (141,694) [11,808]	69,237 (147,644) [12,304]	72,145 (153,845) [12,820]	75,175 (160,306) [13,359]	78,333 (167,040) [13,920]	81,623 (174,056) [14,505]	85,051 (181,366) [15,114]	88,623 (188,983) [15,749]	92,345 (196,920) [16,410]	92,436 (197,114) [16,426]

^{Note} The Hong Kong dollars equivalence is set out above for reference purpose (based on the exchange rate of 1 AED= 2.13244 HKD as at 5.11.2018)

Enclosure 4 to FCR(2018-19)81

Fringe Benefits for Locally-engaged Staff of Bangkok Economic and Trade Office

(a)	Medical Benefit Note	:	Employer contribution : 0.88% of base salary
			Employee contribution : 0.88% of base salary
			Maximum relevant monthly income level is THB 15,000 per month
(b)	Disability Benefit	:	Employer contribution : 0.44% of base salary
			Employee contribution : 0.44% of base salary
			Maximum relevant monthly income level is THB 15,000 per month
(c)	Death Benefit	:	Employer contribution : 0.44% of base salary
			Employee contribution : 0.44% of base salary
			Maximum relevant monthly income level is THB 15,000 per month
(d)	Retirement Benefit	:	Employer contribution : 3% of base salary
			Employee contribution : 3% of base salary
			Maximum relevant monthly income level is THB 15,000 per month
(e)	Leave	:	Vacation leave : Ten to 13 days per year
			Personal leave : Five days per year
			Monkshood leave : 15 days for the entire employment

^{Note} The consultant recommends that in addition to the statutory medical benefits, the Bangkok ETO follows the market practice on taking out insurance for its locally-engaged staff to cover the costs for hospitalization, outpatient, surgery, dental treatment, etc.

Enclosure 5 to FCR(2018-19)81

Fringe Benefits for Locally-engaged Staff of Dubai Economic and Trade Office

(a)	Medical Benefit Note	:	Covered by mandatory health insurance (for both United Arab Emirates (UAE) nationals and Dubai residents)
(b)	Social Security Contribution (covering disability benefit, death benefit and retirement benefit)	:	Employer contribution : 15% of base salary (for UAE nationals only)
(c)	Gratuity	:	21 days of basic salary for each year of service up to the first five years of service
			30 days of basic salary for each year of service after the first five years of service
			Total end-of-service gratuity cannot exceed two times of the employee's basic annual salary (for Dubai residents only)
(d)	Leave	:	Vacation leave : 30 days per year Hajj leave : 30 days for the entire employment

^{Note} The consultant recommends that in addition to the statutory medical benefits, the Dubai ETO follows the market practice on taking out insurance for its locally-engaged staff to cover the costs for additional medical, dental, vision benefits, etc.
