For information ECI(98-99)4

# NOTE FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

Remuneration package for the non-civil service appointment of Head of the Support Unit of the Standing Committee on Language Education and Research

#### INTRODUCTION

At the Establishment Subcommittee meeting held on 16 September 1998 to discuss EC(98-99)6 on the non-civil service appointment of a language research professional as Head of the Support Unit of the Standing Committee on Language Education and Research (SCOLAR), the Administration undertook to provide further information on the remuneration package to be offered to the post-holder.

#### REMUNERATION PACKAGE AND FRINGE BENEFITS

2. The remuneration package and fringe benefits offered to the candidate are in line with a civil service appointment at D2 of the Civil Service Directorate Pay Scale on agreement terms. Details are set out in the Enclosure.

Encl.

#### FINANCIAL IMPLICATIONS

3. We estimate that the proposed appointment will incur a salary cost of \$1,443,000 at mid-point and total staff cost (including fringe benefits) of \$1,977,295 in a full year. In addition, there will an end-of-contract gratuity upon satisfactory performance, at 25% of the total substantive salary paid to the post-holder during the agreement period. For the remainder of the 1998-99 financial year, the proposal will require \$1,002,415 (or \$978,680 if the post-holder does not draw the leave passage within 1998-99). We have included sufficient provision in the 1998-99 Estimates to meet the requirements of the proposal.

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# Remuneration package for Head of the Support Unit of the Standing Committee on Language Education and Research

### The remuneration package and fringe benefits

#### (a) Salary

A salary equivalent to D2 in the Civil Service Directorate Pay Scale (DPS) (\$116,650 to \$123,850 at 1998-99 prices) to be paid monthly to the post-holder. It will be adjusted in accordance with adjustment to the DPS.

#### (b) Housing allowance

A fixed monthly housing allowance equivalent to the Home Financing Allowance civil servants receive under the Home Financing Scheme to be given to the post-holder<sup>1</sup>.

#### (c) Medical benefits

Medical benefits will not be provided in accordance with that offered to civil servants. Instead the post-holder and his family will enjoy medical insurance on terms commonly provided by employers in Hong Kong (the terms must not be more favourable than those accorded to civil servants). The insurance plan will cover hospitalisation and outpatient benefits.

#### (d) Leave entitlement

The post-holder will earn vacation leave at the rate of 31 days for each 12 months of resident service. Other leave entitlement includes sick leave and maternity leave.

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The actual rate of housing allowance for the post-holder depends on his/her date of first receiving the allowance. If the post-holder starts receiving the allowance in 1998-99, the allowance he/she is entitled to receive throughout his/her contracted service would be \$42,230 per month, which is the rate of Home Financing Allowance civil service new recruits at D2 level are entitled to if they first receive the Allowance in 1998-99.

## (e) Leave passage

Leave passage is provided in the form of Leave Passage Allowance. The length of a passage eligibility period is normally 24 months.

# (f) Contract gratuities

On satisfactory completion of the full period of appointment, the post-holder will receive a gratuity for the period of service. Such gratuity will be payable at the rate of 25% of total basic substantive salary paid to him/her during the two-year contract period.