

## Press Release

### **Standing Commission on Civil Service Salaries and Conditions of Service: Report No. 46: Civil Service Starting Salaries Survey 2009**

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The following is issued on behalf of the Standing Commission on Civil Service Salaries and Conditions of Service:

The Standing Commission on Civil Service Salaries and Conditions of Service today (March 9) submitted a report on the Civil Service Starting Salaries Survey (SSS) 2009 to the Chief Executive.

At the invitation of the Administration, the Standing Commission has conducted the SSS using April 1, 2009 as the reference date. The report sets out the Standing Commission's findings and recommendations on the starting salaries of non-directorate civilian grades in the civil service.

"The 2009 SSS is the first time the Standing Commission conducts an SSS under the Improved Civil Service Pay Adjustment Mechanism. The Standing Commission considers it important to develop a consistent approach for the methodology, and formulate principles and considerations underlying its recommendations to provide guidance for future SSSs", Mr Nicky Lo Kar-chun, Chairman of the Standing Commission said.

In formulating its recommendations, the Standing Commission has taken into account, among other things, the findings of a pay comparison survey conducted by an independent consultant, covering private sector pay for entry-level jobs with employees recruited during the period of April 2, 2008 to April 1, 2009 for comparison with the benchmark pay of civil servants with similar entry requirements.

"Apart from the pay comparison survey findings, the Standing Commission has adopted a holistic approach taking into account all relevant factors in formulating its recommendations," Mr Lo said. The principles and considerations which the Standing Commission has taken into account are, namely, "broad comparability" with the private sector from a longer-term perspective, nature of SSSs, attractiveness and stability of civil service pay, differences between the civil service and private sector, inherent discrepancies in statistical surveys and wider community interests.

"The Standing Commission considers that changes to the starting salaries of the civil service should be moderated as appropriate to avoid unnecessary volatility and possible implementation problems," Mr Lo said.

Under the Improved Civil Service Pay Adjustment Mechanism, an SSS will now be conducted every three years. It is therefore possible to keep track of the movement in private sector pay more regularly and make changes to the civil service

benchmark whenever the circumstances warrant.

In summary, the Standing Commission has, after taking into account all relevant factors, recommended a moderated reduction of two pay points in respect of the benchmark for the Degree and Related Grades to Master Pay Scale (MPS) 14, i.e. \$19,835. The starting salaries for grades with internal relativity with the Degree and Related Grades should be correspondingly reduced. The Standing Commission has also recommended that existing staff should not be affected by the changes. The benchmarks for other grades should remain unchanged.

The Standing Commission wishes to express its gratitude to the staff representatives of the four Central Consultative Councils and the four service-wide staff unions for the useful exchanges of views at various stages of the 2009 SSS, and all private sector organisations which have participated in the SSS.

The Standing Commission Report No. 46 and the consultant's report on the pay comparison survey can be viewed on the website of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service at <http://www.jsscs.gov.hk/reports/en/46/sssindex.html>.

The Standing Commission advises the Chief Executive on the structure, salaries and conditions of service of the non-directorate civilian grades in the civil service. The Standing Commission is chaired by Mr Nicky Lo Kar-chun. Its members are Mr Owen Chan Shui-shing, Mr Barry Cheung Chun-yuen, Ms Virginia Choi Wai-kam, Dr Miranda Chung Chan Lai-foon, Professor Ho Lok-sang, Mr Jeffrey Lam Kin-fung, Mr Andy Lo Kwong-shing and Mr Pang Yiu-kai.

End/Tuesday, March 9, 2010