

Press Release

Standing Commission on Civil Service Salaries and Conditions of Service: Report No. 52: Civil Service Pay Level Survey 2013

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 (Standing Commission) submitted its report on the Civil Service Pay Level Survey (PLS) 2013 to the Chief Executive today (October 30). The report sets out the work and recommendations of the Standing Commission in relation to the 2013 PLS. The survey findings in terms of comparison ratios in five Job Levels are tabulated below –

Job Level	Comparison Ratio ^{Note}	Examples of Civil Service Job
Job Level 1	98%	Personal Secretary II, Clerical Assistant, Postal Officer, Property Attendant and Motor Driver
Job Level 2	104%	Executive Officer II, Accounting Officer II, Senior Postal Officer and Technical Officer
Job Level 3	96%	Executive Officer I, Assistant Housing Manager, Clerk of Works and Senior Technical Officer
Job Level 4	98%	Senior Executive Officer, Housing Manager and Chief Technical Officer
Job Level 5	92%	Chief Executive Officer, Senior Engineer and Senior Government Counsel

Note: The comparison ratio (by percentage) is derived by dividing the civil service pay indicator by its respective private sector pay indicator.

The Standing Commission recommended that no change be made to the salary of officers of Job Levels 1 to 4 (i.e. Model Scale 1 Pay Scale and Master Pay Scale Point 0 to 44) and an upward adjustment of 3% be granted to the salary of officers of Job Level 5 (i.e. Master Pay Scale Point 45 to 49).

The Administration invited the Standing Commission in late 2011 to conduct the PLS and recommend how the survey findings should be applied to the non-directorate civilian grades of the civil service. “The Standing Commission appreciates the importance of ensuring adequate opportunities for exchange of views with staff bodies given that civil servants will be directly impacted by the results and recommendations of the survey. At the same time, the Standing Commission sees it crucial to maintain its objectivity and impartiality as an independent advisory body. It has therefore engaged the relevant stakeholders in both the civil service and the private sector to ensure the recommendations it puts forth will be balanced, reasonable and justified,” Dr Wilfred Wong Ying-wai, Chairman of the Standing Commission, said.

The Standing Commission appointed a consultant to assist in the conduct of the PLS. The broadly-defined Job Family and Job Level method was adopted as the survey methodology which entailed the following steps –

- identifying jobs that were representative of the civil service (civil service benchmark jobs) that had reasonable private sector matches;
- carrying out an intensive job inspection process which served to ascertain details of the job characteristics of civil service benchmark jobs;
- matching civil service benchmark jobs with broadly comparable counterparts in the private sector in terms of job content, work nature, level of responsibility and typical requirements on qualification and experience;
- collecting pay information of the matched private sector jobs; and
- aggregating and consolidating the matched private sector jobs by Job Families and Job Levels and comparing the consolidated private sector pay indicators for each Job Level with the corresponding civil service pay indicator.

The survey reference date was set as 1 October 2013 for data collection. The consultant collected pay data from 128 private sector organisations which covered a wide range of economic sectors in Hong Kong, and matched private sector counterparts for 162 civil service benchmark jobs in 59 grades.

“In recommending how the 2013 PLS results should be applied to the non-directorate civilian grades of the civil service, the Standing Commission is of the view that a holistic approach should be adopted. To this end, a number of principles and considerations which together formed the basis of a holistic approach have been formulated,” Dr Wong said. The Standing Commission has sought and suitably taken into account comments from the Staff Sides of the four Central Consultative Councils and the four major service-wide staff unions (Staff Sides) in the process. These principles and considerations were broad comparability with the private sector, nature of the PLS, attractiveness and stability of civil service pay, inherent differences between the civil service and private sector and their uniqueness, inherent discrepancies in statistical surveys and elements of chance as well as overall interest.

A key objective of the Government’s civil service pay policy is to maintain broad comparability between civil service pay and private sector pay. This recognises that it is neither fair nor practical to achieve strict comparability in view of the inherent differences between the civil service and private sector and their respective uniqueness. The Standing Commission was of the view that for Job Levels 1 to 4 where the differences between the civil service pay indicators and private sector pay indicators were -2%, +4%, -4% and -2% respectively their pay should be regarded as broadly comparable; while the pay difference of -8% for Job Level 5 should be considered significant and hence should be appropriately addressed.

For Job Level 5, the Standing Commission considered that a pay increase was warranted to ensure civil service pay at that level remained competitive vis-à-vis the private sector. It also noted that in the 2006 PLS (i.e. the last PLS), the pay comparison ratio for this Job Level was 95% (as compared to 92% in the current PLS) which meant that the pay gap has widened by 3% between the two PLSs. At the same time, the Standing Commission was mindful that a PLS only captured market information at a specific reference point in time and that there existed statistical discrepancies in a survey. Hence, in addressing the pay gap for Job Level 5, a moderated upward adjustment would be reasonable. As regards the effective date of the pay adjustment, the Standing Commission recommended that it be set as the first day of the month its report was submitted.

“The Standing Commission fully appreciates that while it is important to ensure attractiveness of civil service pay, it is equally imperative that any adjustments be considered fair by both civil servants and the public they serve given that civil service pay is funded by public money. The Standing Commission considers that the current recommendation would be a balanced, reasonable and justified one in the context of the 2013 PLS,” Dr Wong said.

“In the light of the experiences gained in conducting the 2006 PLS and 2013 PLS, the Standing Commission is of the view that it is an opportune time for the Administration to consider whether a review on the PLS is warranted, which may possibly cover, inter alia, the survey methodology, application of survey findings and frequency for the conduct of the survey,” Dr Wong said.

The Standing Commission would like to express its appreciation to all parties which have contributed to the 2013 PLS, including the Staff Sides and their members, the grade / departmental management of Government bureaux / departments, Departmental Consultative Committees and staff unions / associations, the Employers’ Federation of Hong Kong, the Hong Kong Institute of Human Resource Management and the Hong Kong People Management Association. Last but not least, our gratitude also goes to the participating private sector organisations for their support and co-operation.

The Standing Commission Report No. 52 is available for public access on the website of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service at www.jsscs.gov.hk/reports/en/52/plsindex.html.

The Standing Commission is appointed by the Chief Executive to advise on the structure, salaries and conditions of service of the non-directorate civilian grades in the civil service. The Standing Commission is chaired by Dr Wilfred Wong Ying-wai. Its members are Mr Chan Tze-ching, Miss Elaine Chan Wing-yi, Mr Lee Luen-fai, Ms Angela Lee Wai-yin, Mr Joseph Lo Kin-ching, Professor Suen Wing-chuen, Mr Tony Tse Wai-chuen, Dr Carrie Willis Yau Sheung-mui and Mr Wilfred Wong Kam-pui.

End/Thursday, October 30, 2014