INTRODUCTION

In January 1979 His Excellency the Governor appointed us to be Members of a Standing Commission on Civil Service Salaries and Conditions of Service with the following terms of reference:

- I (a) to review, and keep under review, the principles and practices governing the class, grade, rank and salary structure of the Civil Service, and to recommend to the Governor any changes it considers to be necessary;
 - (b) to advise the Governor on appropriate means of carrying out regular and systematic reviews of the salary and structure of individual grades, to oversee the carrying out of such reviews, and to recommend to the Governor any changes in salary and structure it considers to be necessary;
 - (c) to advise the Governor on whether overall reviews of the Master Pay Scale and other non-Directorate Pay Scales (as opposed to reviews of the salary of individual grades) should continue to be based on surveys of pay trends in the private sector conducted by the Pay Investigation Unit and subject to the advice of the Senior Civil Service Council; or whether some other mechanism should be substituted;
 - (d) to advise the Governor on those conditions of service listed in paragraph 7(1) of the 1968 Agreement between the Hong Kong Government and the Main Staff Associations (see Note), where such conditions of service are referred to the Commission jointly by the Official and Staff Sides of the Senior Civil Service Council;
 - (e) to advise the Governor on suitable procedures to enable staff associations (including individual grade associations) to discuss with management their views on matters within the terms of reference of the Commission:
 - (f) to advise the Governor on the circumstances in which it would be appropriate for the Commission itself to consider any issue, and on how staff associations and management might represent their views to the Commission in such circumstances;
 - (g) to consider whether, and if so how, the Commission should advise on conditions of service matters other than those referred to in (d), particularly conditions of service affecting individual grades or groups;
 - (h) to advise the Governor on such matters as he may refer to it.

- II. The Commission should keep the matters within its terms of reference under continuing review, and recommend to the Governor any necessary changes.
- III. The Commission shall give due weight to any wider community interest, including financial and economic considerations, which in its view are relevant.
- IV. The Commission shall give due weight to the need for good staff relations within the Civil Service, and in tendering its advice shall be free to make any recommendations which would contribute to this end.
- V. In considering its recommendations and advice, the Commission shall not prejudice the 1968 Agreement between the Hong Kong Government and the Main Staff Associations.
- VI. The provisions of I(d) above shall not, for an initial period, preclude the Main Staff Associations, either jointly or individually, from referring any conditions of service listed in the Note to the Commission without the prior agreement of the Official Side of the Senior Civil Service Council.
- VII. Directorate pay and conditions of service will continue to be the subject of advice by the Standing Committee on Directorate Salaries and Conditions of Service. Pending advice from the Commission under I(c), overall reviews of the Master Pay Scale will continue for the time being to be based on surveys of pay trends in the private sector (as opposed to reviews of the salary of individual grades) subject to the advice of the Senior Civil Service Council.
- VIII. The Standing Commission shall not consider cases of individual officers.
- IX. The Commission may wish to consider in the light of experience whether changes in its composition or role are desirable.
- X. In carrying out its terms of reference, the Commission should ensure that adequate opportunities are provided for staff associations and management to express their views. The Commission may also receive views from other bodies which in its view have a direct interest.

Note: Conditions of service as listed in para. 7(1) of the 1968 Agreement between the Hong Kong Government and the Main Staff Associations

allowances
weekly hours of work
leave rates (for vacation, casual and sick leave)
rent for quarters
house allowance
eligibility for housing
charges for medical and dental treatment

During January a start had been made in assembling a small Secretariat to serve the Commission, and on 17th January 1979 the announcement was also made of the appointment of Mr. P.B. Williams, a former Commissioner for Labour, as Secretary-General of the Standing Commission. Mr. N.W.H. Macleod served as Liaison Officer between ourselves and the Administration. Details of the Commission's members and its staff are given in Appendix A.

The Commission held its first full meeting on Friday, 9th February 1979.