

CHAPTER 6

LONG SERVICE INCREMENTS

6.1 The term 'long service increments' refers to increments added to the top of a rank scale which become payable after a specific period of service. At present, long service increments are provided only in the pay scales of the most junior ranks of the disciplined services where two such increments may be granted; one after 18 years and the other after 25 years of satisfactory service.

6.2 In the course of our earlier reviews, we received a number of requests from staff for improved pay scales on the grounds that there were no opportunities for promotion within their grade or that where such opportunities did exist they were extremely limited. Our general attitude towards such requests was expressed in our First Report on Principles and Practices (Report No. 1). We consider that grade pay should reflect the rate for the job and that the extent to which promotion opportunities do or do not exist is not a factor to be taken into account in determining those pay scales. However, in the light of the suggestion that some recognition should be given to the capable, loyal and long serving officer who is unable to progress beyond his entry rank, we agreed to give further consideration to the possibility of providing long service increments in the pay scales of grades with no promotion prospects whatsoever. Subsequently, in our Second Report on Civil Service Pay (Report No. 5), we stated that we would include a study of the case for providing long service increments in certain grades in our current work programme.

6.3 After careful consideration we have concluded that, in present circumstances, there is no justification for any extension of the existing arrangements for the provision of long service increments. We have reached this conclusion for two main reasons.

6.4 First, comparability with the private sector is an important factor in determining civil service pay and the situation whereby an employee may spend his entire career in the job to which he is first appointed is just as prevalent in the private sector as in the civil service. We have found no evidence to suggest that the private sector grants long service increments or any similar form of compensation to employees in recognition of a lack of promotion opportunities. To provide civil servants with long service increments would not therefore be in keeping with private sector practice.

6.5 Secondly, requests from staff for long service increments frequently convey the impression that when a civil servant reaches the maximum of his rank scale, he ceases to receive any increases in pay. Occasionally statements are made to the effect that the majority of staff in a grade are on their maximum salary point and their pay has remained unchanged for many years. We believe that this is one of the reasons why staff requests for long service increments sometimes elicit sympathy from management; a sympathy which we could readily share were such statements to reflect the actual position. In fact, however, since the introduction of the pay trend survey system, all civil servants have received regular pay awards which have enabled them not only to have protection from the effects of inflation but also to share in the economic prosperity of Hong Kong. To provide civil servants who have reached the maximum of their scale with yet further increases, simply for continuing to perform the job they are already paid to do, would in our opinion be difficult to justify. Our study of long service increments has therefore only served to confirm our initial view that the absence of promotion prospects does not warrant paying more than the rate for the job.