

CHAPTER 3

THE PAY TREND SURVEY COMMITTEE AND THE PAY RESEARCH ADVISORY COMMITTEE

Pay Trend Survey Committee

3.1 The Pay Trend Survey Committee, established in early 1983, has the following terms of reference :

- (a) to commission the annual pay trend survey;
- (b) to analyse the results of the survey and to ensure that the agreed criteria for the interpretation of the data collected have been properly applied;
- (c) to agree the pay trend information resulting from the survey; and
- (d) to advise the Standing Commission on matters relating to pay trend survey methodology.

3.2 The Committee consists of two Members of the Standing Commission, one as Chairman and the other as Alternate Chairman, the Secretary-General of the Standing Commission, two representatives of the Administration, three representatives of the Staff Side of the Senior Civil Service Council, three representatives of the Staff Side of the Model Scale 1 Staff Consultative Council and two representatives of the Police Force Council. There are also observers from the constituent bodies. During 1985, there were no changes in the Commission's representatives on the Committee and they were Mr. Gordon M. Macwhinnie, the Chairman, and Mrs. Alice Lam, the Alternate Chairman.

3.3 The Committee held three meetings during the year. The first was held in March 1985 to examine the findings of the Pay Survey and Research Unit on the 1984/85 Pay Trend Survey. The meeting took place in two sessions, at the end of which the Committee accepted the pay trend survey results which were announced immediately afterwards. In August 1985, the Committee met for the second time to discuss how the methodology of the pay trend survey could be improved and we took its advice into account when we formulated our own recommendations to His Excellency the Governor. The Committee met for the third time in November 1985 to commission the 1985/86 Pay Trend Survey and to agree on the criteria to be used for the analysis of the survey data and the calculation of the pay trend indicators.

Pay Research Advisory Committee

3.4 The Pay Research Advisory Committee was established in late 1983 with the following terms of reference :

To advise the Standing Commission on matters relating to pay and fringe benefits with particular reference to :

- (a) the comparability of jobs in the civil service and the private sector;
- (b) the differences between civil service and private sector pay practices;
- (c) the methodology of pay level and pay trend surveys;
- (d) the valuation of fringe benefits; and
- (e) any other matters relating to pay and fringe benefits referred by the Commission.

3.5 In paragraph 3.4 of our last progress report, we mentioned that in mid 1984 the Committee was asked to conduct an in-depth study of the issues covered in the Report of the Working Group on the Valuation of Benefits for Pay Level Surveys which is mentioned in paragraph 2.1 and to draw up comprehensive recommendations on the principles and methodology to be used in the valuation of fringe benefits for the purpose of comparing total pay packages in the public and private sectors. We also said that during the latter half of 1984, the Committee had completed the first stage of its study and had formulated its views on the general principles and assumptions to be adopted for the valuation of fringe benefits.

3.6 During 1985, the Committee continued its study of the subject and completed an initial examination of the issues dealt with in the Working Group's Report. The study included an examination of individual benefits to determine which of them should be included in total pay packages and how they should be valued as well as a study of the general principles governing comparisons between pay in the public and private sectors. In the course of its work, the Committee identified certain specific areas on which the advice of a consultant was required before it could finalise its views. For this purpose, the Committee employed an international firm of employee-benefit consultants to conduct a further examination of the specific issues involved. The Committee will submit a report on its final recommendations to us after it has received and examined the results of the consultants' study.