

22 January 1987

His Excellency Sir David Akers-Jones, K.B.E., C.M.G., J.P.,
Acting Governor of Hong Kong.

Your Excellency,

Terms of Reference

We last wrote to Your Excellency on 26 April 1982, putting forward proposals to revise our terms of reference so that our Commission could advise on fringe benefits, other than salaries, which were relevant to the determination of the civil service remuneration package. Those proposals were accepted by the Government and our terms of reference were amended in July 1982.

2. A number of developments, however, have taken place since July 1982, which make it necessary to amend further our terms of reference. During the latter half of 1982, the Police Force Council and the Model Scale 1 Staff Consultative Council were formed, to provide for an enhanced forum for central staff consultation additional to the then existing Senior Civil Service Council. In December 1982, "the Pay Investigation Unit" of the Government Secretariat was placed under our administrative control, to enable it to attain an independent role in the conduct of annual pay trend surveys. It has since been renamed as "the Pay Survey and Research Unit". In the same year, the 1968 Agreement between the Hong Kong Government and the Main Staff Associations was revised and was retitled as "the 1968 Agreement between the Hong Kong Government and the Main Staff Associations (1982 Revised Version)".

Proposed Amendments to the Commission's Terms of Reference

3. In view of the aforesaid developments, we recommend Clause I(c), Clause V, Clause VI and Clause VII of our terms of reference to be updated, as follows : -

(a) Clause I(c)

Existing Version :

"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."

Recommended Version :

"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 Survey and Research Unit and subject to the advice of the Senior Civil Service Council, the Police Force Council and the Model Scale 1 Staff Consultative Council; or whether some other mechanism should be substituted."

In the recommended version, the name of "the Pay Investigation Unit" is changed to "the Pay Survey and Research Unit" and new references to the Police Force Council and the Model Scale 1 Staff Consultative Council are made.

(b) Clause V

Existing Version :

"In considering its recommendations and advice, the Commission shall not prejudice the 1968 Agreement between the Hong Kong Government and the Main Staff Associations."

Recommended Version :

"In considering its recommendations and advice, the Commission shall not prejudice the 1968 Agreement between the Hong Kong Government and the Main Staff Associations (1982 Revised Version)."

In the recommended version, the title of the 1968 Agreement between the Hong Kong Government and the Main Staff Associations is updated.

(c) Clause VI

Existing Version :

"The Official Side and Staff Side of the Senior Civil Service Council jointly shall have the right to refer to the Commission matters arising under Sub-Clause I(d) and 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). In addition the Main Staff Associations may jointly or individually refer such matters to the Commission without the prior agreement of the Official Side of the Senior Civil Service Council."

Recommended Version :

"The Official Side and Staff Side of each of the three Main Staff Consultative Councils, namely, the Senior Civil Service Council, the Police Force Council and the Model Scale 1 Staff Consultative Council, jointly shall have the right to refer to the Commission matters arising under Sub-Clause I(d). In addition the Main Staff Associations of these Councils may jointly or individually refer such matters to the Commission without the prior agreement of the Official Side of the Senior Civil Service Council, the Police Force Council and the Model Scale 1 Staff Consultative Council."

In the recommended version, references to the Police Force Council and the Model Scale 1 Staff Consultative Council are added and the reference to the conditions of service listed in paragraph 7(1) of the 1968 Agreement between the Hong Kong Government and the Main Staff Associations is deleted because these have not been retained in the 1982 revised version of the agreement.

(d) Clause VII

Existing Version :

"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 (as opposed to reviews of the salary of individual grades) will continue for the time being to be based on surveys of pay trends in the private sector subject to the advice of the Senior Civil Service Council."

Recommended Version :

"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 (as opposed to reviews of the salary of individual grades) will continue for the time being to be based on surveys of pay trends in the private sector subject to the advice of the Senior Civil Service Council, the Police Force Council and the Model Scale 1 Staff Consultative Council."

In the recommended version, additional references to the Police Force Council and the Model Scale 1 Staff Consultative Council are also made.

Conclusion

4. If our recommendations in this letter are accepted, we recommend their implementation with immediate effect.

We have the honour to be
Your Excellency's obedient servants,

(S.Y. Chung)
Chairman

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