APPENDIX V

22 January 1988

His Excellency Sir David Wilson, K.C.M.G., Governor of Hong Kong.

Your Excellency,

We were recently invited by the Administration to advise on a proposal that a review of the pay and conditions of service for the disciplined services below Directorate level and the machinery for their determination should be conducted by someone who is neither a civil servant nor a member of an existing advisory body and who has not served in the disciplined services.

- 2. We were informed by the Secretary for the Civil Service that because of the increased range and complexity of the duties of the disciplined services, and the difficulties in making judgements on the levels of their pay and conditions of service, the Administration proposes to conduct such a review and that it is intended that the review would be carried out in two parts, dealing first with the Police and thereafter with the other disciplined services. The aim would be to complete the first part of the review within three months and then the conclusions would be submitted to the Standing Commission for advice.
- 3. We considered the disciplined services in detail as part of a major review of civil service pay in 1979. At that time we accepted that the disciplined services deserved special consideration and hence we recommended the establishment of separate pay scales. This arrangement enables consideration of the pay of the disciplined services to be made independently of the Master Pay Scale. Currently, save for those on the top nine points of the Disciplined Services Pay Scale (Officer), all non-Directorate members of the disciplined services are paid more than their Master Pay Scale equivalents.

- 4. During the 1986 Pay Level Survey, we were particularly conscious of the fact that, with regard to the special factors in the disciplined services, such as restricted personal freedom, danger, stress, etc., there were no positions within the jobs surveyed in the private sector which embodied such corresponding special factors. As we commented in our Second and Final Report on the 1986 Pay Level Survey, the results of the survey were, in this respect, incomplete. Whilst we feel that this in no way invalidates the results of the 1986 Pay Level Survey, we accept that there is a need to obtain further information on these particular aspects.
- 5. However, whilst we agree that a review may be necessary, we are conscious of the fact that the original survey was commissioned by the Standing Commission and we would therefore ask to be given the opportunity to re-examine the issues now at hand ourselves, and to commission some independent experts to undertake the review for us. If we are not given such an opportunity it may be interpreted as a lack of confidence in the Standing Commission.
- 6. We also have reservations on the Administration's proposal that the review body should comprise only a single individual. This is particularly so if that individual is an outsider without current knowledge and experience of Hong Kong. Although such an individual would be free to consult other persons or groups, we feel that in view of the sensitivity and immense implications of the issue for the rest of the civil service, the review should preferably be undertaken by a small committee of say two or three experts. We do agree that no member of the review committee should be a civil servant, or have served in the disciplined services.
- 7. If it is decided that the proposed review should be conducted by a body other than one commissioned by the Standing Commission and since such a body would no doubt have already consulted the Standing Commission in the course of the review before making its recommendations, it would not be appropriate for the conclusions of that review to be submitted to the Standing Commission for further advice.

8. Looking ahead, we are also concerned with the proliferation of separate bodies to determine the pay and conditions of service of various sections of the civil service. Such proliferation could lead to difficulties in ensuring continued consistency in the determination of pay and conditions of service for the civil service as a whole, with due regard for appropriate standards and relativities.

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

(S.Y. Chung) Chairman

Kim Y.S. Cham

Therese H.C. Chan

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