

CHAPTER 3

PRINCIPLES AND PRACTICES GOVERNING THE PAYMENT AND ELIGIBILITY FOR JOB-RELATED ALLOWANCES IN THE CIVIL SERVICE

3.1 This Chapter deals with our views and recommendations on the principles and practices governing the payment and eligibility for JRAs in the civil service as set out in the Commission's 1986 Review Report (i.e. Report No. 15).

Eligibility for JRAs

3.2 *In the 1986 Review, the Commission recommended that "eligibility for JRAs should be determined by reference to a cut-off point at MPS 37. Members of the administrative and professional grades should not be eligible for job-related allowances."*

3.3 The eligibility cut-off point at MPS 37 (currently MPS 33) was determined in the 1986 Review on the basis that pay scales of ranks above MPS 37 were broadbanded to take into account variations in the duties of equivalent ranks so that the payment of allowances was not considered to be necessary. In the case of salary scale whose maximum was MPS 37 or below, the practice was to adjust pay scales to take account of job factors affecting 75% or more of the staff in any rank but, otherwise, to pay allowances where appropriate. The Commission also considered that staff with management responsibilities should not be eligible for allowances. For this reason, civil servants remunerated above MPS 37 who were senior staff engaged primarily in management and administrative functions rather than operational duties were excluded from eligibility for JRAs.

3.4 While we agree that there should continue to be an eligibility cut-off point, we have reservation on keeping the cut-off point at MPS 33 on account of the fact that many civil servants remunerated below this point are also engaged in managerial functions. With the human resource management practices in the civil service now emphasizing more on deployment flexibility

and multi-skilling, we do not think that civil servants discharging managerial functions or duties of a comparable level of responsibility should stick to rigid duty lists and ask for the payment of JRAs whenever they take up new or additional duties. There is, therefore, a case to adjust the present eligibility cut-off point for JRAs to reflect the underlying principle that JRAs are intended for non-management staff only.

3.5 In considering how the eligibility cut-off point for JRAs should be adjusted, it has been brought to our attention that the current cut-off point for JRAs is different from that for Overtime Allowance (OTA) which, while outside the purview of our current review, is nonetheless an allowance closely related to the performance of jobs in the civil service and is therefore relevant to our present review.

3.6 We could not trace the background for the different eligibility cut-off point for JRAs and OTA. We note, however, that when setting the eligibility criteria for OTA in 1982, the Commission stressed that it would not be appropriate for civil servants in ranks performing management functions to be eligible for OTA. This is also the principle underlining the payment of JRAs. On account of this, we recommend that the opportunity should be taken to re-align the eligibility cut-off point for JRAs with that for OTA. This means that only staff in ranks with scale maxima on or below MPS 25 (\$ 32,190 per month) and scale minima on or below MPS 19 (\$24,320 per month) who are currently eligible for OTA will be eligible for JRAs in future. As regards members of the administrative and professional grades, our recommendation, similar to the Commission's recommendation in the 1986 Review, is that they should continue to be ineligible for JRAs.

3.7 The amended version of this principle should read as –

“The eligibility cut-off point for JRAs should be re-aligned with that for Overtime Allowance (OTA). This means that only staff in ranks with scale maxima on or below MPS 25 and scale minima on or below MPS 19 who are currently eligible for OTA will be eligible for JRAs. Members of the administrative and professional grades should not be eligible for JRAs.”

Occasional performance of minor additional duties

3.8 *In the 1986 Review, the Commission recommended that “JRAs should not be paid to officers unless extra or unusual duties take up a substantial part of their time.”*

3.9 There are two problems with this principle. First, the difficulty in maintaining a consistent and practical definition of “substantial part of time”. Secondly, whether the payment of JRAs should be determined by the frequency of performance or by the nature of the duty performed.

3.10 In the 1986 Review, the Commission considered and decided not to prescribe the definition of “substantial part of time” because it was difficult to lay down one which would be appropriate in all cases. Instead, the Administration was asked to ensure that there was uniformity of practice in the civil service. With the delegation of approving authority to departments since the early 1990s, there has been growing problems with maintaining consistency in the application of this principle. Indeed, JRAs are currently paid for extra duties that take up as low as 30% of the staff’s time, to over 60%. From information compiled by CSB, we note that some departments have raised doubts about the definition of “substantial time”. The problems with the application of this principle have cast doubt on whether it still serves as a useful and practical principle for regulating JRA payments.

3.11 The question of frequency of performance aside, we think that the civil service JRA system should allow flexibility to cater for circumstances where important and urgent tasks have to be performed (e.g. in crisis situation), irrespective of whether the task takes up a substantial proportion of an officer’s time or not. In short, the system should be designed to enable HoDs to resort to the use of JRAs as motivation for staff to achieve prompt and efficient delivery of public services.

3.12 In view of the current problems of maintaining consistency in the application of the principle and to allow greater flexibility for HoDs to pay JRAs to get work done in the interest of operational efficiency, we recommend that this principle be deleted. The emphasis on JRA payments in future should be placed more on the HoDs’ concern for service delivery than on rigidly calculating the time spent on duty.

Inherent duties

3.13 *In the 1986 Review, the Commission recommended that “JRAs should not be paid for inherent duties unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale.”*

3.14 In the course of our examination of this principle, two issues came to our attention. First, there are cases of JRA payments which prompt the question of why such duties for which JRAs are paid are not regarded as inherent in the first place. Secondly, there are cases where the question of “duties inherent to whom” is raised.

3.15 On the first question, it is important for all concerned to bear in mind that as the civil service is evolving all the time in response to new challenges and public demands, the duties and mode of operation of civil servants and the environment in which they work will inevitably change. Since the last JRA review in 1986, new performance standards have evolved, brought about by technological developments and implementation of new human resource management concepts such as multi-skilling and job enhancement, etc. Under the circumstances, duties which attracted JRA payments in 1986 (or when they were last approved) may be regarded under today’s standards as inherent duties for which JRA payments should not be necessary. To ensure that JRAs are not paid for inherent duties, it is incumbent upon HoDs to conduct regular reviews to update the job descriptions of their staff.

3.16 As regards the second question, we think that the ambiguity could be removed by making it clear that inherent duties should be defined as duties inherent to a department concerned. For this reason, JRAs should not be paid to staff recruited directly by departments for the performance of duties inherent to these departments unless the pay structure of the grades concerned is such that these duties cannot be reflected in their pay scale. As staff recruited directly by departments should be well aware of the scope of duties and the environment in which they are expected to work, there is no justification to pay JRAs to them as extra incentive. It would be wrong in principle to use JRAs as a means to overcome recruitment or retention problems. Where an officer is not recruited directly by a department and is subject to postings between departments over which he/she has no control, consideration may be given for him/her to be paid an allowance in recognition of the unique duties or work

environment in certain departments which may not have been reflected in his/her pay scale.

3.17 Against the above considerations, we recommend that while this principle remains generally acceptable, it should be clarified that the duties in question are duties inherent to a department concerned. The amended version of this principle should read as –

“JRAs should not be paid for duties that are inherent to the department concerned. In other words, JRAs should not be paid for inherent duties performed by staff recruited directly by departments, unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale.”

Changes in duties due to improvements in technology

3.18 *In the 1986 Review, the Commission recommended that “JRAs should not be paid for changes in duties resulting from the introduction of new technology or improvements in operational methods.”*

3.19 The principle is considered still sound and valid with no major problems. The onus is on HoDs to conduct regular reviews of all cases to decide whether the JRA payments are still justified.

Use of extra skills or qualification on jobs

3.20 *In the 1986 Review, the Commission recommended that “JRAs should not be paid simply for the acquisition or possession of a skill or qualification. Where an officer is called upon to make use of an extra skill or qualification in the course of his work, consideration should be given to the payment of an allowance only if this happens reasonably often.”*

3.21 This principle is considered still sound and reasonable with no major problems. However, it is noted that there are existing cases of non-compliance that need to be rectified. One example is the Dialect Allowance paid to Chinese Language Officers, Court Interpreters and Police Translators irrespective of whether they have used the skills in the course of duty. This case was highlighted by the Commission in 1996 and by the Director of Audit in his Report No. 33 published in 1999. It is a matter of

urgency that the Administration should rectify such anomalies as soon as practicable.

Regular duties

3.22 *In the 1986 Review, the Commission recommended that “Where officers are regularly required to spend more than 50% of their time on extra duties for which allowances are paid, the posts concerned should be reviewed to determine whether it would be appropriate and practicable to regrade them, to revise the job descriptions of the posts, to schedule staff to fill these posts in rotation or to continue to pay allowances.”*

3.23 This principle is sound and reasonable. The only problem seems to lie in the difficulty in monitoring whether departments have properly conducted reviews as stipulated. To improve the situation, the Administration should assume a more active monitoring role to ensure that reviews are properly conducted by departments. We will address the issue of review and monitoring in Chapter 6.

Payment of allowances on a continuing basis

3.24 *In the 1986 Review, the Commission recommended that “Where JRAs are justified they may be paid to officers on a continuing basis if the adjustment of their pay scales is not cost-effective and the re-grading of posts or the rotation of staff to fill the posts is not practicable.”*

3.25 Considerations of this principle are closely related to the earlier principle governing “regular duties”. As long as the payment of JRAs for regular duties is justified, its payment on a continuing basis should be allowed. This principle should be upheld.

Multiple allowances

3.26 *In the 1986 Review, the Commission recommended that “Multiple allowances should not be paid unless each of the individual allowances can be independently justified as being in accordance with the principles and criteria applicable to that allowance.”*

3.27 Since JRAs are paid for special job elements, multiple allowances are acceptable on the ground that there can be more than one job element requiring compensation. In addition, as long as a set of consistent principles and eligibility criteria is applied to the payment of each individual allowance, it can be argued that there is no need to impose an arbitrary limit on the number of allowances that may be claimed. Nevertheless, situations where multiple allowances are paid for the same job on a long-term basis are considered unhealthy from the human resource management point of view. HoDs should therefore carry out regular reviews to see if alternative arrangements could be made in such situations by, for example, updating of duties, job rotation, etc.