

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

PARAGRAPH

Role of Job-Related Allowances in the Civil Service

1. There will continue to be a role for JRAs in the civil service remuneration system. JRAs must play a proper role in the civil service salary administration system in keeping with the spirit of reform in the other civil service management initiatives now being rolled out. 2.7
2.8

2. A critical review should be undertaken by Heads of Department (HoDs) of all JRA payments under their jurisdiction as soon as possible after the Administration has accepted the review recommendations to ascertain – 2.10
 - (a) whether the factors or circumstances giving rise to the need for the original payments still exist; and

 - (b) whether the job descriptions of civil service posts have been updated to ensure that only duties extraneous to the job descriptions should be eligible for the JRAs and payments which do not meet with these conditions should cease with immediate effect.

Principles Governing the Payment and Eligibility for JRAs

Eligibility for JRAs

3. 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. 3.7

Occasional performance of minor additional duties

4. There are two problems with the principle that “JRAs should not be paid to officers unless extra or unusual duties take up a substantial part of their time.” 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. 3.9
5. In view of the problems of maintaining consistency in the application of this principle and to allow greater flexibility for HoDs to pay JRAs to get work done in the interest of operational efficiency, this principle should be deleted. The emphasis on JRA payments should be placed more on the HoDs’ concern for service delivery than on rigidly calculating the time spent on duty. 3.12

Inherent duties

6. Inherent duties should be defined as duties inherent to a department concerned. JRAs should not be paid for such inherent duties. 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. 3.17

Changes in duties due to improvements in technology

7. JRAs should not be paid for changes in duties resulting from the introduction of new technology or improvements in operational methods. 3.19

Use of extra skills or qualification on jobs

8. 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 3.21

payment of an allowance only if this happens reasonably often.

Regular duties

9. 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

Payment of allowances on a continuing basis

10. 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

Multiple Allowances

11. 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. Situations where multiple allowances are paid for the same job on a long-term basis are unhealthy from the human resource management point of view. HoDs should carry out regular reviews to see if alternative arrangements could be made in such situations. 3.27

Categories of Job-Related Allowances

Purposes re-stated

12. The purposes of Extraneous Duties Allowances (EDAs) and Hardship Allowances (HAs) are re-stated as follows – 4.10
- (a) EDAs are allowances granted to officers who are regularly required to perform duties outside the

scope of those normally performed by staff in the same grade or rank. The extraneousness of such duties is established by HoDs against the up-to-date job descriptions for the officers concerned. EDAs should be paid in recognition of new skill or new responsibility imposed on the officers by the extra duty.

- (b) HAs are allowances granted to officers who are subjected to work environment which would render them liable to bodily harm or physical impairment of a degree not normally expected by staff in the same grade or rank.

EDA (Responsibility) cases to be re-examined

- 13. Civil Service Bureau (CSB), in consultation with HoDs, should critically re-examine all EDA(R) cases in the light of the new criteria for granting acting allowance to ensure that EDA(R) payments would not become a loophole in the Administration's control of acting allowance. 4.12

Simplification of JRA Categorization

- 14. The Administration of the JRA system should be simplified as follows –
 - (a) all sub-categories under EDA to be abolished so that there will only be one single category of EDA to incorporate both skill and responsibility; 4.13
 - (b) all sub-categories under HA to be abolished so that there will only be one single category of HA; 4.17
 - (c) a new principal category should be created to accommodate Typhoon/Rainstorm Black Warning Allowances; 4.17
 - (d) Shift Duty Allowance should remain as an independent category; and 4.18

- (e) the Special Allowance category should be abolished and individual payments therein redistributed under the principal category of EDA or HA, as appropriate. 4.18

The New Principal Categories of JRAs

15. There will be four new principal JRA categories as follows – 4.19
- (a) Extraneous Duties Allowance
 - (b) Hardship Allowance
 - (c) Typhoon / Rainstorm Black Warning Allowances
 - (d) Shift Duty Allowance
16. To qualify for JRAs under these categories, either one of the following conditions has to be met – 4.19
- (a) Duties - the duties in question must be extraneous to the job descriptions for the officers concerned and the discharge of such duties requires extra skill or imposes new responsibility not normally expected of staff in the same grade or rank;
 - (b) Work environment - the work environment, to which staff are subjected, must be such as to render them liable to bodily harm or physical impairment of a degree not normally expected of staff in the same grade or rank;
 - (c) Weather conditions - these are specific weather conditions involving the hoisting of typhoon signal No. 8 or above or the rainstorm black warning signal; and
 - (d) Pattern of work - this refers specifically to shift duties not normally expected of staff in the same grade or rank.

Review of Job Descriptions

17. Since the pre-condition for eligibility of JRAs must be that the extraneousness of the duty has to be established against evidence of the most up-to-date job descriptions for the officers concerned, HoDs should undertake an immediate review of all current JRA payments under their jurisdiction against the job descriptions of their staff and the new principles recommended in this review to ensure that only payments that meet with these criteria will be allowed to continue. Thereafter, HoDs should undertake regular reviews of job descriptions to ensure that they are brought up-to-date in tandem with changes in skill requirement and improvement in working environment. 4.20

Rates of Job-Related Allowances*General principle*

18. The principle of “same allowance for same extra duties” should be upheld. 5.11

Review and re-affirmation of JRA rates

19. The validity of all current JRA rates should be reviewed and re-affirmed by HoDs, taking into account the adequacy of the rates to meet operational needs and morale of staff. Thereafter, the dollar value of the re-affirmed rates should be preserved by pegging them to the rate of annual salary adjustment for the Lower Band civil servants. 5.13
20. In effect, the re-affirmed rates will be de-linked from any reference point on the MPS and immune to possible changes at the bottom point. 5.13

Standard and Non-Standard rates

21. The demarcation between standard and non-standard rates should be abolished. 5.16

How should the re-affirmed JRA rates be expressed

22. The re-affirmed JRA rates should either be expressed as fixed sums on de-linking from the MPS or continue to be tied to a recipient's salary or rank. 5.17

How should JRA rates be determined in future

23. In setting the civil service JRA rates in future, there is no need to draw reference from private sector rates. The only equitable and acceptable method to evaluate the appropriateness of the civil service JRA rates would be to compare the rates against each other by reference to a system of internal benchmarking. 5.19
24. To establish this system of internal benchmarking, the Administration should compile a detailed schedule of JRA payments under each of the four principal JRA categories based on the JRA payments currently in force. The schedule should show the individual items of JRA payments and the range of rates currently obtaining. In future, the rates of any new JRA items could be determined by way of internal benchmarking with the rates of comparable payment items in the schedule. 5.21

The Moratorium

25. To allow time for HoDs to undertake a review of the JRA payments under their jurisdiction, a moratorium should be imposed during which HoDs should critically re-examine all JRA payments in accordance with the up-to-date job descriptions and the new JRA principles recommended by the Commission in this review. 6.2

Period

26. The moratorium should not last for more than six months from a date to be determined by the Administration. No extension of the moratorium will be entertained save in cases where the Secretary for the Civil Service (SCS) is fully satisfied that very exceptional circumstances exist. 6.3

Application

27. Of the four new principal categories of JRAs, only EDA and HA should be reviewed during the moratorium. 6.4
28. During the moratorium, there will be no new allowances, nor will there be any new claimants for existing allowances until the review has been completed. Exceptions may be made by HoDs to meet the exigencies of service, subject to the approval of the relevant Bureau Secretary and the SCS. 6.5

Payment

29. All current JRA payments should continue during the moratorium but cease with immediate effect as soon as the review by HoDs concludes that their continued payment is not justified. 6.8

Rates

30. During the moratorium, existing rates should all be frozen. In reviewing the individual rates, unless there are strong justifications for HoDs to consider introducing a new higher rate, the upper limit of the rates should all be capped at the existing level. 6.9

Role of Heads of Department

31. In reviewing JRAs, HoDs should re-examine the rationale for which EDAs and HAs are paid in the light of the most up-to-date job descriptions of the post concerned and the new JRA principles recommended in the present review. Regard should be had of changed circumstances, improved working environment, technological innovations and development of multi-skilling which have taken place since the payments in question were last approved. 6.10
32. HoDs should bear in mind that JRA payments should be task-oriented and time-specific. The maximum time-limit for any JRA payment should not exceed two years. 6.10

33. In the light of the review, HoDs should personally decide whether current payments could continue with justifications or lapse with immediate effect. 6.12

Role of Bureaux

34. Bureaux should be kept apprised of how JRAs are paid in departments under their purview and whether the payments are commensurate with the level of service delivery envisaged in their policy programme. HoDs should submit the findings of their review to CSB for endorsement via their respective Bureau Secretary for support. 6.13
6.14

Role of Civil Service Bureau

35. In addition to approving the JRA payments, CSB should assume a central monitoring role during the moratorium. These include providing support and advice to HoDs; sorting out problems and ensuring service-wide consistency in standards; ensuring compliance of the moratorium by HoDs; and compilation of the schedule of JRA payments at the expiry of the moratorium. 6.15
36. CSB should give further consideration to how it would gear up to the new administrative responsibilities arising from the review, e.g. whether there is a need to re-activate the Committee on Allowances or establish a different kind of co-ordinating body to tackle problems emerging from the review. 6.16

Role of the Commission

37. The Commission should be kept informed by the Administration of the progress of the review and be satisfied that the decision of HoDs in respect of individual payments has been reached in accordance with the new JRA principles. A final report on the outcome of HoDs' review should be submitted to the Commission within one month after the end of the moratorium. In the light of this report, the Commission will tender advice to the Chief Executive on whether and, if so, what further action need be taken on the JRA review. 6.17

Future JRA administration system

38. The review and monitoring mechanism put in place during the moratorium should be made a standing arrangement in the new JRA administration system after the expiry of the moratorium. 6.22
39. The responsibility for the review of JRA payments found justified during the moratorium will rest with HoDs in the first place. The decision by HoDs to continue the JRA payment for another specified period should receive the endorsement of both the Bureau Secretary concerned and the SCS. Creation of new JRA payments which did not exist during the moratorium by HoDs should be endorsed by the relevant Bureau Secretary and the SCS. 6.22
40. The question of devolution of approving authority and other administrative responsibilities for JRA payments to HoDs should be examined by CSB in the light of the experience of the implementation of the new system, say, two to three years after the expiry of the moratorium. The Commission's advice should be sought before the Administration takes any decision on the matter. 6.24