

13 March 2000

The Honourable TUNG Chee Hwa  
The Chief Executive of the  
Hong Kong Special Administrative Region  
of the People's Republic of China  
Chief Executive's Office  
Hong Kong

Dear Sir,

### **Simplification of Qualification Groups**

We have been invited by the Administration to advise, as a follow-up to the 1999 Civil Service Starting Salaries Review, how the civil service Qualification Groups should be simplified.

#### **Background**

2. In the course of conducting pay comparison surveys for the purpose of determining the benchmarks for the civil service Qualification Groups (QGs) in the 1999 Civil Service Starting Salaries Review, two problems came to our notice, viz. : (a) the naming of some of the QGs was outdated and inaccurate; and (b) not all QGs had appropriate private sector comparators. The continued inclusion of these QGs in future pay comparison surveys may, in our view, cause unnecessary confusion to civil servants and private sector companies taking part in the survey. We, therefore, recommended in the Commission's Report on the 1999 Civil Service Starting Salaries Review (Report No. 36) that the Administration should consider how the QGs could be simplified.

#### **The Review**

3. This recommendation was accepted by the Administration. In a letter dated 19 November 1999, the Secretary for the Civil Service (SCS)

invited the Commission to give further advice on how this should be done. The SCS made it quite clear to us in his letter that given the prime purpose of the review is to simplify the present QG groupings, it would not be appropriate to undertake a comprehensive review of the rationale and justification for the established internal relativities of the QG system as a whole at this stage. Such a review should be an integral part of any future major review of civil service pay. The present review is, therefore, confined to how the problems noted in paragraph 2 should be tackled. It is not concerned with such questions as whether the grades within the existing QGs are suitably classified or whether the relativities between the QGs are appropriate or not.

### **Commission's Views and Recommendations**

4. We have now completed a review of the 16 existing QGs (list at Annex I). Our views and recommendations on how the problems identified in some of them should be dealt with are set out in the following paragraphs.

#### ***QG1 (Grades not requiring a full School Certificate)***

5. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. This will continue to be the case in future surveys in view of the abundant supply of people possessing the relevant qualifications in the labour market. For the purpose of pay comparison surveys in future, this QG should continue to exist as a separate QG as at present.

6. The name of this QG, however, is less than precise. The term "a full School Certificate", which was used to refer to five passes in Hong Kong Certificate of Education Examination (HKCEE), is no longer used nowadays as a certificate is issued to every candidate sitting the HKCEE irrespective of results. To reflect this development, we propose to re-name QG1 as "Grades not requiring five passes in HKCEE".

7. At present, the majority of the grades in this QG requires an entry qualification of Form 4 or equivalent in their Guide to Appointment. Only a few require an entry qualification of Form 3 or less than five passes in HKCEE. Consequent to the re-naming, it may be necessary for the Administration to review the present Guide to Appointment for the relevant grades within this QG to see if they should be updated accordingly.

***QG2 (School Certificate Grades Group I : Full School Certificate)***

8. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. This will continue to be the case in future surveys.

9. The problem with this QG is similar to that for QG1. Accordingly, we recommend that this QG be re-named as “School Certificate Grades Group I : Grades requiring five passes in HKCEE”.

***QG3 (School Certificate Grades Group II : Full School Certificate plus considerable experience)***

10. Since the starting salaries for grades within this QG are largely based on such additional requirement as experience or special skills, no benchmark has been set for this QG since 1979. The experience of data collection is that while there were insufficient data for this QG in the 1989 Review, sufficient data could be collected in the 1999 Review. However, since no benchmark has been set for this QG, the survey data were not applied. The starting salaries for grades within this QG were adjusted in the 1989 and 1999 Reviews by reference to their established relativity with grades in QG2.

11. We do not see the need for the continued existence of QG3 as a separate QG. We recommend that QG3 be deleted and the grades in it placed en bloc under QG2 as “Group II of the School Certificate Grades” without upsetting their traditional relativity with QG2. There is no need to collect data for this group in any future survey and the starting salaries for grades within it will continue to be adjusted by reference to their established relativity with QG2.

***QG4 (Higher Diploma, Diploma and Related Grades Group I : Higher Diploma)***

12. Sufficient survey data could not be obtained for this QG in the 1989 and 1999 Reviews. For historical reasons, the benchmark for this QG has been tied to that for QG7 (Technical Inspectorate and Related Grades – Higher Certificate plus experience).

13. QG4 is made up of grades in the health and paramedical fields. While private sector data abound in Higher Diploma for more general fields such as accounting, there are very limited samples of health and paramedical jobs matching the civil service jobs. As the Commission observed in paragraph 4.8 of Report No. 36 that while private sector pay data could be obtained for Higher Diploma holders in other job families such as accounting, these would not be useful for comparison purpose.

14. On account of the narrow composition of job families in this QG, we recommend that no data should be collected for this QG in any future survey and its benchmark will continue to be tied to that for QG7.

***QG5 (Higher Diploma, Diploma and Related Grades Group II : Diploma)***

15. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. This will continue to be the case in future surveys.

16. To simplify the grouping of QG4 and QG5, we recommend that these two QGs be combined under a new name of “QG4 : Higher Diploma and Diploma Grades”. Consequent to this change, all grades under the existing QG4 will be re-classified as “Group I : Higher Diploma Grades” while those under the existing QG5 as “Group II : Diploma Grades”.

***QG6 (Higher Diploma, Diploma and Related Grades Group III : Form IV plus two years' training or School Certificate plus one year's training)***

17. Sufficient survey data could not be obtained for this QG in the 1989 and 1999 Reviews.

18. At present, there are only four grades under QG6 (viz. Computer Operator, Dental Hygienist, Enrolled Nurse and Midwife), the entry requirements of which include completion of one or two years' training provided by the civil service. The starting salaries for these grades have, therefore, been set by reference to their traditional relativity with grades in QG5 rather than by reference to external comparison. In view of this and the small number of grades involved, we recommend that QG6 be abolished and the four grades within it placed en bloc under QG16 (Other Grades). Its established relativity with QG5 should, however, be maintained.

***QG7 (Technical Inspectorate and Related Grades – Higher Certificate plus experience)***

***QG8 (Technician, Supervisory and Related Grades Group I : certificate or apprenticeship plus experience)***

19. Sufficient survey data could not be obtained for these two QGs in the 1989 Review and the starting salaries for grades within these groups were determined by reference to their established relativity with QG4 and QG9 respectively. In the 1999 Review, however, sufficient data could be obtained for these two QGs and their respective benchmarks were determined on the basis of such data. Our assessment is that there is likely to be abundant private sector job samples for these two QGs in the years ahead. No change is, therefore, recommended for these two QGs.

***QG9 (Technician, Supervisory and Related Grades Group II : craft and skill plus experience, or apprenticeship plus experience)***

20. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. This will continue to be the case in future surveys. No change is recommended for this QG.

***QG10 (Matriculation Grades)***

21. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. Barring future changes, we see no problem with this QG being retained as a separate QG as at present.

22. There is, however, a need to re-name this QG now that local universities are free to set their own entry requirement which may not necessarily require passes in two Advanced Level and three Ordinary Level subjects as the term “Matriculation” was associated with when it was used to denote the minimum requirement for admission into the University of Hong Kong.

23. To reflect the current situation, we recommend that the term “Matriculation” be deleted and QG10 be re-named as “Grades requiring two passes at Advanced Level in Hong Kong Advanced Level Examination plus three credits in HKCEE”.

***QG11 (Professional and Related Grades Group I : membership of a professional institution or equivalent)***

24. Sufficient survey data were obtained for this QG in the 1989 Review. This was not the case in the 1999 Review, due possibly to the downturn of the economy and changes in supply and demand in the labour market. Whether sufficient data could be obtained for this QG in future will depend very much on the economic and labour situation prevailing at the time of the survey.

25. Professional qualification remains nonetheless an important appointment requirement in the private sector. We, therefore, recommend that despite the fluctuations in survey data, QG11 should remain as a separate QG and that data should again be collected for it in the major review of QG benchmarks to be undertaken by the Administration every three to four years. However, for the annual updating exercise up to the next major review, there is no need to obtain data for this QG. Since the updating exercise is intended to keep track of interim developments for QGs which have been successfully surveyed in the 1999 Review, our recommendation is that only these QGs rather than all 16 QGs should be surveyed again.

***QG12 (Professional and Related Grades Group II : Honours Degree)***

26. Sufficient survey data could not be obtained for this QG in the 1989 and 1999 Reviews. This is because very few private companies used Honours Degree as an appointment requirement. Since the rank and salary structure of grades in this QG are related to those under QG11 and the benchmark for this QG has been derived on account of its established relativity with QG11, we recommend that the reference to Honours Degree in this QG be deleted and the QG be re-named as "Professional and Related Grades Group II : Grades with Pay Structure Related to Grades in Group I".

27. Consequent to the re-naming, QG12 should be deleted and the grades within it placed en bloc under QG11 as Group II. No data will be collected for this Group in any future survey and its benchmark should continue to be tied to that for Group I under QG11.

28. Following the above changes, there may be a need for the Administration to review the present Guide to Appointment for grades within this QG to see whether there may be grades where it would still be appropriate to specify “Honours Degree” as an appointment requirement.

***QG13 (Degree and Related Grades)***

29. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. No change is recommended for this QG.

***QG14 (Model Scale 1 Grades)***

30. Sufficient survey data were obtained for this QG in the 1989 and 1999 Reviews. No change is recommended for this QG.

***QG15 (Education Grades)***

***QG16 (Other Grades)***

31. Because of the disparate entry requirements and structure of the grades involved in these two QGs, no benchmarks have been set for them since 1979 and the starting salaries for grades within the two QGs have been determined by reference to their traditional relativity with other QGs where survey data could be obtained. No change is recommended for these two QGs.

**Summary**

32. A summary of our recommendations on the 16 QGs is set out below.

***Re-naming***

33. The following QGs should be re-named –

- (a) QG1 from “Grades not requiring a full School Certificate” to “Grades not requiring five passes in HKCEE”.

- (b) QG2 from “School Certificate Grades Group I : Full School Certificate” to “School Certificate Grades Group I : Grades requiring five passes in HKCEE”.
- (c) QG4 and QG5 from “Higher Diploma, Diploma and Related Grades Group I : Higher Diploma” and “Higher Diploma, Diploma and Related Grades Group II : Diploma” to QG4 : “Higher Diploma and Diploma Grades Group I : Higher Diploma Grades” and “Group II : Diploma Grades” respectively.
- (d) QG10 from “Matriculation Grades” to “Grades requiring two passes at Advanced Level in Hong Kong Advanced Level Examination plus three credits in HKCEE”.

***Re-grouping and deletion***

34. The following QGs should be re-grouped and deleted –

- (a) QG3 : “School Certificate Grades Group II : Full School Certificate plus considerable experience” to be re-named as “School Certificate Grades Group II : Grades requiring five passes in HKCEE plus considerable experience” and re-grouped as Group II under QG2. After re-grouping, QG3 should be deleted.
- (b) QG6 : “Higher Diploma, Diploma and Related Grades Group III : Form IV plus two years’ training or School Certificate plus one year’s training” to be re-grouped under QG16 : “Other Grades”. After re-grouping, QG6 should be deleted.
- (c) QG12 : “Professional and Related Grades Group II : Honours Degree” to be re-named as “Professional and Related Grades Group II : Grades with Pay Structure Related to Grades in Group I” and re-grouped as Group II under QG11. After re-grouping, QG12 should be deleted.



35. The number of QGs remaining and their respective designations  
after the simplification exercise are shown at Annex II.

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( Sidney Gordon )  
Chairman  
for and on behalf of  
Members of the Standing Commission  
on Civil Service Salaries and Conditions of Service