

STANDING COMMISSION ON CIVIL SERVICE
SALARIES AND CONDITIONS OF SERVICE

REPORT No. 68

REPORT 2024

CHAIRMAN

MR ADRIAN WONG KOON-MAN, BBS, MH, JP

MARCH 2025

公務員薪俸及服務條件常務委員會
Standing Commission on Civil Service Salaries and Conditions of Service

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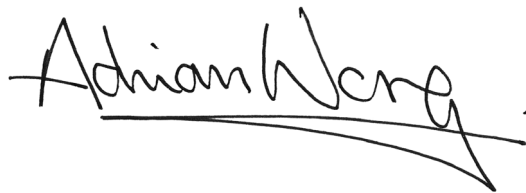
18 March 2025

The Honourable John KC Lee, GBM, SBS, PDSM, PMSM
The Chief Executive
Hong Kong Special Administrative Region
People's Republic of China

Dear Sir,

--- On behalf of the Standing Commission on Civil Service Salaries
and Conditions of Service, I have the honour to submit a report on our work
during 2024.

Yours faithfully,



(Adrian Wong Koon-man)
Chairman

Standing Commission on Civil Service
Salaries and Conditions of Service

Encl.

STANDING COMMISSION ON CIVIL SERVICE
SALARIES AND CONDITIONS OF SERVICE

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Chapter 1

Introduction

1.1 The Standing Commission on Civil Service Salaries and Conditions of Service was established in 1979 to advise and make recommendations to the Government in respect of the salaries and conditions of service of the non-directorate civilian civil service. Its key role is to offer independent advice on the principles and practices governing pay, conditions of service and salary structure of non-directorate civilian civil servants, and in doing so, the Commission is to have full regard to all conceivable factors that are relevant to the matters under consideration as well as views of stakeholders. The Commission's terms of reference, which set out the Commission's ambit and a couple of principles in accordance with which the Commission is to discharge its responsibilities, are at **Appendix A**. The Commission's membership (with changes effected in January 2025) is at **Appendix B**. All Commission Members are non-officials appointed in their personal capacity by the Chief Executive.

1.2 The present Annual Report gives an overall account of our undertakings in 2024. In accordance with our terms of reference, the Commission gives due weight to the interests of the wider community and to the need for good staff relations within the civil service. Adequate opportunities are therefore provided for staff associations and management to express their views. The annual sharing session, the last one held in April 2024, is one such platform on which we can exchange views with the staff side candidly over matters of mutual concern. During the year, we also maintained close contacts with major interested private sector organisations and considered a couple of proposals put forth by the Government on leave matters for government employees, which aim to buttress a family-friendly workplace. In our view, the Government's proposals are reasonable enhancements to the family-friendly employment measures available to government employees and at the same time conducive to stronger family relationships and hopefully job satisfaction. For these reasons, we rendered full support for them. In addition, in accordance with our terms of reference, we kept in view the methodology adopted in the annual Pay Trend Survey (PTS). We will give a

further account of these endeavours in Chapter 2. By way of conclusion, we set out in Chapter 3 in brief terms our planned work for 2025.

Chapter 2

Work in 2024

Liaison with Major Civil Service Staff Bodies

2.1 In accordance with our terms of reference, the Commission is to advise the Government on policies in relation to the non-directorate civilian civil service, and in so doing, we are to take into account the views and the interests of the wider community and the civil service. For a better understanding of their views and aspirations, we provide adequate opportunities for staff associations to express their views, either specifically (e.g. on projects that we are carrying out) or generally. For the latter purpose, the Commission has held sharing sessions with the staff side annually for more than three decades. These sharing sessions enable us to keep a finger on the pulse of the civil service, which in turn provides a solid base for us to render balanced and informed views to the Government. Unless there are exceptional circumstances suggesting otherwise, we do not stipulate any specific items for discussion at these sessions, and attendees are at liberty of raising their views or sharing their sentiments, as long as they fall within the ambit of the Commission. Less formalistic in nature, these sharing sessions provide an occasion on which we exchange views with the staff side candidly, enabling us to be particularly forward-looking when it comes to formulating proposals on civil service salaries and conditions of service.

2.2 In 2024, the annual sharing session was held in April. To canvass views as widely as possible, we invited the staff side of the Senior Civil Service Council (SCSC)¹ and the Model Scale 1 Staff Consultative Council, and three major service-wide staff unions representing the non-directorate civilian segment of the civil service², to the session. As we state in the preceding paragraph, for the session, we did not lay down any definitive agenda in advance, and the staff side representatives attending the session took turns to raise matters of particular concern to them. As in the sessions in previous

¹ The staff side of the SCSC is made up of the Association of Expatriate Civil Servants of Hong Kong, the Hong Kong Chinese Civil Servants' Association and the Hong Kong Senior Government Officers Association.

² The three major service-wide staff unions are the Government Employees Association, the Hong Kong Civil Servants General Union and the Hong Kong Federation of Civil Service Unions.

years, they held dear to their hearts various core issues, such as the fringe benefits for officers appointed on New Terms³ (who now account for the bulk of serving civil servants), implementation of the five-day week initiative, reduction in conditioned hours of work, the provision of medical (particularly dental) benefits, and generally family-friendliness in the workplace.

2.3 Over the years, quite a number of requests made by the staff side at this forum or on other occasions have been taken on board by the Government, either incrementally or in a wholesale fashion. We note, for instance, that the Government has, chiefly in response to the staff side's requests, put in place arrangements for government employees to take marriage leave, compassionate leave and childcare leave, and it has spared no efforts in taking forward the implementation of five-day week in the civil service and the reduction in the conditioned hours of work of particular civil service grade/ranks where proposals could meet the relevant principles/prerequisites. We also note that there are bottlenecks in further extending these measures, and on account of fundamental policy considerations, a reversion to the pre-2000 remuneration package for officers appointed on New Terms is definitely out of the question. We do however believe that a sympathetic and incremental approach is always called for, as these matters will remain of concern to the staff side in the years to come.

2.4 In any event, we look forward to the next session, such that we can keep track of the staff side's latest views and sentiments, not least in the context of an expectedly tight fiscal position.

Liaison with External Stakeholders

2.5 Although we are appointed to the Commission in our personal capacity, by virtue of our positions in the private sector or our professional background, our views could be taken to already reflect various wider interests. We do go a step further than that. In the course of the year, the Commission and the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service (the Joint Secretariat) maintained close contacts with major interested private sector organisations to keep track of developments in the private sector and to exchange views on civil service pay, conditions of service and pay surveys. For instance, in July 2024, we met with representatives from the Hong Kong Institute of Human Resource Management

³ New Terms officers refer to those civil servants who were offered appointment on or after 1 June 2000.

and the Hong Kong People Management Association to exchange views on the findings of the 2024 PTS. The Joint Secretariat has also fielded representatives to seminars or discussion sessions on salaries and pay trends hosted by various third parties and academic institutions. The Joint Secretariat also participated in enrichment courses on the utility and application of macro-economic statistics compiled by the Census and Statistics Department together with many practitioners in the private sector. These initiatives will continue in the future.

Family-friendly Employment Measures for Government Employees

2.6 One of the topics frequently raised by the staff side at the sharing sessions is the extent of the adoption of family-friendly employment measures and their positive impact on staff morale. The Government and the Commission share the same objective with the staff side, but quite apparently, the Government has to look further and deeper before rolling out concrete proposals. In our view, it is entirely fair (and indeed imperative) for the Government to iron out clear operational arrangements (for instance, reducing bureaucratic red-tape in application and approval, and simultaneously possibilities of potential abuse) and ascertain the impact on services to the public and the amount of supporting resources required before it can take forward any related proposals. We are glad to note that the Government has accomplished rather substantially in this aspect over the past few years.

Marriage Leave and Compassionate Leave

2.7 The host of newly implemented family-friendly measures begins with marriage leave and compassionate leave, which were put into effect on 1 April 2024.

2.8 Back in early 2024, after formulating the skeleton of the proposal, the Government sought our views. As a matter of principle, we found the proposal reasonable, as it would meet quasi-universal and genuine needs one may have to meet in a typical life-cycle. What really mattered was the implementation details, such as the definition of triggering events and the amount of the leave facility.

2.9 Under the Government's proposal, all government employees (i.e. not being confined to civil servants) on active service are eligible to apply for

taking this facility⁴. This is in our view a fair arrangement, as any distinction on the terms of employment is quite untenable in this context. The definition of triggering events is not that straight forward. Under the Government’s proposal, for marriage leave, only one’s own marriage is to be counted in, i.e. to the exclusion of the marriage of one’s offsprings. For compassionate leave, the scope is much wider. Very roughly put, the death of defined immediate family members, including those of three generations above and parents-in-law, will render an employee eligible to apply for taking the facility. As to the nature of the facility itself, the “leave” is granted in the form of “authorised absence”, and there will not be any adjustment to one’s vacation leave “entitlement”. An eligible employee can apply for a total of three days of such absence within a specified period for each triggering event. The Government is most accommodative here, as the shortest unit one can take is half a day, and one needs not take all three days in one single stretch. In other words, an employee can take absence on separate days for the same event. On balance, we found the proposal reasonable, which was not lavish when compared with the practices in the private sector. As we set out in paragraphs 3.14 to 3.17 of our previous Annual Report, we considered the proposal to be worthy of our full support. After tapping further views from the staff side and putting in place the necessary supporting administrative arrangements, the Government formally implemented the facility on 1 April 2024.

Childcare Leave

2.10 As far as we know, the facilities of marriage leave and compassionate leave have been well received since their introduction in April 2024. The staff side has expressed gratitude for their introduction, for their effect on stronger family relationships and on staff morale. We are elated to learn that the Government’s efforts in cultivating family-friendly working environment have not stopped there: the Government has gone on and formulated a proposal on childcare leave. The Government sought our views before the end of 2024.

2.11 To put matters in context, as part of its wider population policies, the Government has put in place a spectrum of measures to encourage child birth (such as the introduction of a “newborn baby bonus” and priority arrangements for subsidised sale and rental units) and support child-rearing (such as tax concessions and strengthening ante- and post-natal healthcare

⁴ Civil servants who are on final leave are not eligible to apply for this facility as they are already excused from duty.

services). On the civil service side, fully recognising that the civil service is part of the community and striving to be a role-model for other employers, the Government was desirous of making available leave of absence for government employees who have young children to take care of.

2.12 As in the case of marriage leave and compassionate leave, all government employees on active service will stand to benefit. Whilst recognising that individual needs may differ, the Government has to draw a line, stipulating the age of three as the dividing line: a child whose birth has been reported to the management will enable his parents to apply for taking an aggregate leave of absence of three days (in the form of authorised absence), in each of the 12-month period before his third birthday. The Government is as reasonable and generous as circumstances allow: no matter how many, every young child aged under three of an eligible government employee will render his parents eligible for the leave facility. If both parents (and if there is one, a step-parent) are eligible government employees, every one of them can benefit under the facility simultaneously.

2.13 Hong Kong is presently plagued by a low fertility rate, which if left unchecked, will exacerbate the problems brought by an ageing population. Seen in this light, the Government's proposal on childcare leave is already worthy of our full support. The implementation details and the scheme parameters that the Government proposes are also sensible. We therefore rendered our support. There are of course suggestions that the dividing line of three years of age is too low and too strict, as children older than three are still rather dependent. We are glad to understand that the Government has undertaken in public to keep the matter under review after the proposal is to be put into effect on 1 April 2025.

2.14 We wish to place on record, as a short concluding remark, that in formulating the host of family-friendly measures as mentioned above, the Government has carefully strived a fine and proper balance between the needs of government employees and the prudent use of public money and other wider community interests. These measures have been warmly received by government employees, and serve as good examples for the private sector to follow.

Pay Trend Survey

2.15 The Commission is also mandated to keep in view the methodology adopted in the annual PTS, which is a crucial component under the Improved Civil Service Pay Adjustment Mechanism⁵. The survey seeks to measure the year-on-year changes in the basic salary and certain cash benefits (such as year-end bonuses) accorded to full-time employees engaged by the surveyed private sector companies that are attributable (or related) to cost of living, general prosperity and company performance, general changes in market rates, and if applicable, merit increase and inscale increment. The surveyed employees are classified into three salary bands (*viz.* upper, middle and lower), the demarcating lines being those commonly adopted for layering the civil service. The PTS yields a set of three gross pay trend indicators (PTIs) for the three salary bands, each of them representing the average magnitude of the year-on-year changes in the basic salary and other cash benefits accorded to all the surveyed employees in that band. Under the established mechanism, the net PTIs (derived from the gross PTIs after the payroll costs of increments are suitably deducted) serve as one of the considerations of the Chief Executive-in-Council (CE-in-Council) in deciding on the specific rates of adjustment for civil service pay for the year (other considerations include the state of Hong Kong's economy, changes in the cost of living, the Government's fiscal position, the pay claims of the staff side and civil service morale).

Pay Trend Survey Committee

2.16 In 1983, on the Commission's advice, the Government established the Pay Trend Survey Committee (PTSC) as an independent body to oversee the conduct of the PTS. Its Chairman and Alternate Chairman are nominated from Members of the Commission. Mr Laurence Li Lu-jen, SC, JP, and Ms Dilys Chau Suet-fung, JP, are the incumbent Chairman and Alternate Chairperson respectively. The PTSC also comprises representatives of the Standing Committee on Disciplined Services Salaries and Conditions of Service, the Civil Service Bureau and the staff side. Its composition is at **Appendix C**.

⁵ Under the Improved Civil Service Pay Adjustment Mechanism, civil service pay is compared with private sector pay on a regular basis through three separate surveys, namely, an annual PTS to ascertain year-on-year pay adjustments in the private sector, a Pay Level Survey every six years to ascertain whether civil service pay remains broadly comparable with private sector pay, and a Starting Salaries Survey as and when necessary in response to specific circumstances to compare the starting salaries of non-directorate civilian grades in the civil service with the entry pay of jobs in the private sector.

2.17 The main function of the PTSC is to commission the annual PTS, agree on a survey field in accordance with the established criteria, analyse the findings of the survey, apply the agreed criteria to the interpretation of the data collected, and finally agree on its results. Each year, the PTSC also submits its recommendations on the survey methodology for our consideration.

The 2024 Pay Trend Survey

2.18 The 2024 PTS, commissioned by the PTSC in February 2024, was conducted between February and May 2024⁶. A total of 113 companies, comprising 83 (73%) larger companies (with 100 or more employees) and 30 (27%) smaller companies (with 50 to 99 employees), participated in the 2024 PTS. The Pay Survey and Research Unit of the Joint Secretariat collected information on pay adjustments in these 113 companies (comprising 134 376 employees) over the 12-month period from 2 April 2023 to 1 April 2024, and analysed the data in accordance with the agreed methodology. The gross PTIs⁷ derived from the survey findings were released on 16 May 2024, and considered and validated by the PTSC on 22 May 2024. A summary of the results of the survey is at **Appendix D**.

2.19 Having considered the net PTIs⁸ and the other relevant factors under the established annual civil service pay adjustment mechanism referred to above, the CE-in-Council decided in June 2024 to increase the pay for civil servants in the upper, middle and lower salary bands and the directorate at the same rate of 3% for 2024-25. Following the above decision made by the CE-in-Council and the subsequent approval of the Finance Committee of the Legislative Council on 5 July 2024, the 2024-25 civil service pay adjustment took retrospective effect from 1 April 2024. The pay scales relevant to the Commission's purview (as at 1 April 2024) are shown at **Appendix E**.

Review of Survey Methodology

2.20 The overall parameters of the current methodology for the PTS were laid down by the CE-in-Council in March 2007. Before embarking on

⁶ The fieldwork of the PTS is conducted by the Pay Survey and Research Unit, which is a unit under the Joint Secretariat.

⁷ In the 2024 PTS, the gross PTIs for the upper, middle and lower salary bands are 5.05%, 5.35% and 6.63% respectively.

⁸ The net PTIs adopted for the 2024-25 civil service pay adjustment exercise were 4.01%, 4.32% and 5.47% for the upper, middle and lower salary bands respectively.

the yearly exercise, the PTSC reviews how the overall parameters should be operationalised and puts forth its recommendations for our consideration. In the review conducted after completing the 2024 round of the survey, the PTSC examined how best the survey field was to be apportioned amongst the economic sectors. The Committee also studied whether supplementary information should be sought from the surveyed companies in the PTS so as to gain a deeper understanding of the operation of the private sector pay regime. In the process, the PTSC adopted principles similar to ours, providing opportunities for the staff side to offer views on these topics and generally on how the survey methodology could be further improved. After careful deliberation, the PTSC recommended that the methodology for the 2024 round of the PTS be adopted for the 2025 exercise.

2.21 We supported the PTSC's recommendation. A copy of our letter dated 29 November 2024 tendering advice to the Government is at **Appendix F** (with our recommendations on the 2025 PTS methodology at **Annex** to the letter).

Chapter 3

Work in 2025 and Acknowledgements

3.1 In the year ahead, we will continue to act in accordance with our terms of reference. We will, as invited by the Government, tender advice on any proposals for changes to the pay and conditions of service for individual grades or for the civil service as a whole, and carry out our other responsibilities accordingly.

3.2 A proper and accurate recognisance of the concerns, aspirations or requests of the staff side is indispensable to the proper discharge of our responsibilities. In the coming year, we will continue to leverage the sharing session as a platform for a candid exchange of views with the staff side.

3.3 As regards the 2025 PTS, we were informed by the Civil Service Bureau on 26 February 2025 that as a result of the pay freeze arrangement for the civil service in 2025-26, the Government has decided that the 2025 PTS should not proceed further.

3.4 We would like to take this opportunity to record our appreciation to our outgoing Chairman, Dr Pang Yiu-kai, GBS, JP, who retired at the end of 2024 after serving the Commission for a full tour of six years, for his exemplary leadership, unsurpassable vision and strengths in balancing the interests of stakeholders. Dr Pang steered the Commission through a good number of important projects and surveys on civil service pay, earning along the way respect and trust from both the civil service and the wider community. We would also like to express our gratitude to Ms Christina Maisenne Lee, JP, Dr Miranda Lou Lai-wah, MH, and Mr Joseph Luc Ngai, JP, who also retired at the end of 2024 each after a full tour. The Civil Service Bureau has long supported our work one way or another, and our thanks must go to the Bureau as well.

Standing Commission on Civil Service Salaries and Conditions of Service

Terms of Reference

- I. To advise and make recommendations to the Chief Executive in respect of the non-directorate civil service, other than judicial officers and disciplined services staff, on –
- (a) the principles and practices governing grade, rank and salary structure;
 - (b) the salary and structure of individual grades;
 - (c) whether overall reviews of 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, or whether some other mechanisms should be substituted;
 - (d) the methodology for surveys of pay trends in the private sector conducted by the Pay Survey and Research Unit, subject to advice under I(c) and having regard to the advice of the Pay Trend Survey Committee;
 - (e) matters relating to those benefits, other than salary, which the Commission advises as being relevant to the determination of the civil service remuneration package, including the introduction of new benefits or proposed changes to existing benefits;
 - (f) suitable procedures and machinery to enable staff associations and staff to discuss with management their views on matters within the terms of reference of the Commission;
 - (g) the circumstances in which it would be appropriate for the Commission itself to consider any issue, and how staff associations and management might present their views to the Commission in such circumstances; and
 - (h) such matters as the Chief Executive may refer to the Commission.

II. The Commission shall keep the matters within its terms of reference under continuing review, and recommend to the Chief Executive any necessary changes.

III. The Commission shall give due weight to any wider community interest, including financial and economic considerations, which in its view are relevant.

IV. The Commission shall give due weight to the need for good staff relations within the Civil Service, and in tendering its advice shall be free to make any recommendations which would contribute to this end.

V. In considering its recommendations and advice, the Commission shall not prejudice the 1968 Agreement between the Government of the Hong Kong Special Administrative Region and the Main Staff Associations (1998 Adapted Version).

VI. The staff associations making up the Staff Side of the Senior Civil Service Council and the Model Scale 1 Staff Consultative Council may jointly or individually refer matters relating to civil service salaries or conditions of service to the Commission.

VII. The heads of departments may refer matters relating to the structure, salaries or conditions of service of individual grades to the Commission.

VIII. The Commission shall not consider cases of individual officers.

IX. The Commission may wish to consider in the light of experience whether changes in its composition or role are desirable.

X. In carrying out its terms of reference, the Commission should ensure that adequate opportunities are provided for staff associations and management to express their views. The Commission may also receive views from other bodies which in its view have a direct interest.

**STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE
(Membership as at December 2024)**



DR PANG YIU-KAI, GBS, JP
CHAIRMAN

(APPOINTED ON 1 JANUARY 2019)



MS CHRISTINA MAISENNE LEE, JP
MEMBER

(APPOINTED ON 1 AUGUST 2018)



DR MIRANDA LOU LAI-WAH, MH
MEMBER

(APPOINTED ON 1 JANUARY 2019)



MR JOSEPH LUC NGAI, JP
MEMBER

(APPOINTED ON 1 JANUARY 2019)



HON CHAN CHUN-YING, BBS, JP
MEMBER

(APPOINTED ON 1 JANUARY 2020)

**STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE
(Membership as at December 2024)**



MRS BETTY YUEN SO SIU-MAI, JP
MEMBER

(APPOINTED ON 1 JANUARY 2020)



MS VENA CHENG WEI-YAN
MEMBER

(APPOINTED ON 1 JANUARY 2021)



MS ADA LEUNG KA-LAI, SBS
MEMBER

(APPOINTED ON 1 JANUARY 2021)



MR LAURENCE LI LU-JEN, SC, JP
MEMBER

(APPOINTED ON 1 JANUARY 2021)



MS DILYS CHAU SUET-FUNG, JP
MEMBER

(APPOINTED ON 1 JANUARY 2022)

**STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE**
(Membership as at December 2024)



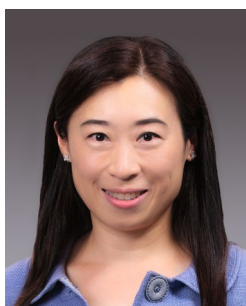
MR VICTOR LAM HOI-CHEUNG, JP
MEMBER

(APPOINTED ON 1 JANUARY 2022)



MS IVY CHEUNG WING-HAN
MEMBER

(APPOINTED ON 1 JANUARY 2023)



MS IRENE CHOW MAN-LING, JP
MEMBER

(APPOINTED ON 1 JANUARY 2023)



DR BILLY MAK SUI-CHOI
MEMBER

(APPOINTED ON 1 JANUARY 2023)



**MR ADRIAN WONG KOON-MAN,
BBS, MH, JP**
MEMBER

(APPOINTED ON 1 JANUARY 2023)

STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE
(Membership as at January 2025)



**MR ADRIAN WONG KOON-MAN,
BBS, MH, JP**

CHAIRMAN

(APPOINTED ON 1 JANUARY 2025)



HON CHAN CHUN-YING, BBS, JP
MEMBER

(APPOINTED ON 1 JANUARY 2020)



MRS BETTY YUEN SO SIU-MAI, JP
MEMBER

(APPOINTED ON 1 JANUARY 2020)



MS VENA CHENG WEI-YAN
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(APPOINTED ON 1 JANUARY 2021)



MS ADA LEUNG KA-LAI, SBS
MEMBER

(APPOINTED ON 1 JANUARY 2021)

STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE
(Membership as at January 2025)



MR LAURENCE LI LU-JEN, SC, JP
MEMBER

(APPOINTED ON 1 JANUARY 2021)



MS DILYS CHAU SUET-FUNG, JP
MEMBER

(APPOINTED ON 1 JANUARY 2022)



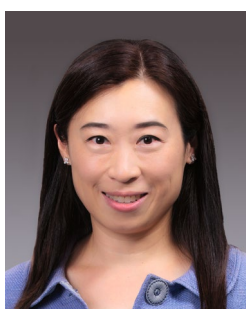
MR VICTOR LAM HOI-CHEUNG, JP
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(APPOINTED ON 1 JANUARY 2022)



MS IVY CHEUNG WING-HAN
MEMBER

(APPOINTED ON 1 JANUARY 2023)



MS IRENE CHOW MAN-LING, JP
MEMBER

(APPOINTED ON 1 JANUARY 2023)

**STANDING COMMISSION ON
CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE**
(Membership as at January 2025)



DR BILLY MAK SUI-CHOI
MEMBER

(APPOINTED ON 1 JANUARY 2023)



MR MAC CHAN HO-TING
MEMBER

(APPOINTED ON 1 JANUARY 2025)



MS FLORENCE CHUNG WAI-YEE
MEMBER

(APPOINTED ON 1 JANUARY 2025)



MR KYRUS SIU KING-WAI
MEMBER

(APPOINTED ON 1 JANUARY 2025)

Composition of the Pay Trend Survey Committee

Members

Two Members of the Standing Commission on Civil Service Salaries and Conditions of Service, one as Chairman and the other as Alternate Chairman

Up to two Representatives of the Standing Committee on Disciplined Services Salaries and Conditions of Service

Secretary General of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service

Two Representatives of the Civil Service Bureau

Three Staff Side Representatives of the Senior Civil Service Council

Three Staff Side Representatives of the Model Scale 1 Staff Consultative Council

Two Staff Side Representatives of the Police Force Council

Two Staff Side Representatives of the Disciplined Services Consultative Council

Observers

Three Staff Side Representatives of the Senior Civil Service Council

Three Staff Side Representatives of the Model Scale 1 Staff Consultative Council

A Management Side and two Staff Side Representatives of the Police Force Council

Three Staff Side Representatives of the Disciplined Services Consultative Council

Summary of the 2024 Pay Trend Survey

Introduction

Pay Trend Surveys (PTSs) yield information on the general movements of pay in the surveyed private sector companies over a given period. They are not concerned with the comparison of pay levels for specific occupational groups.

Survey period

2. The 2024 PTS covered a 12-month period from 2 April 2023 to 1 April 2024.

Surveyed companies

3. A total of 113 companies took part in the survey including 83 larger companies (with 100 or more employees) and 30 smaller companies (with 50 to 99 employees) in the ratio of 73 : 27. The pay data of their 134 376 employees were used in the calculation of the 2024 gross pay trend indicators (PTIs).

Data collection

4. Data collection in the 2024 PTS was based on five salary bands by subdividing the middle and upper salary bands into two bands while keeping the lower salary band intact. The classification was as follows –

- | | | |
|-----|--|---------------------------------|
| (a) | <u>Lower Salary Band</u>
(below MPS ¹ Point 10) | below \$25,815 per month |
| (b) | <u>Middle Salary Band (I)</u>
(MPS Points 10 to 23) | \$25,815 – \$50,045 per month |
| (c) | <u>Middle Salary Band (II)</u>
(above MPS Point 23 to Point 33) | \$50,046 – \$79,135 per month |
| (d) | <u>Upper Salary Band (I)</u>
(above MPS Point 33 to Point 44) | \$79,136 – \$116,165 per month |
| (e) | <u>Upper Salary Band (II)</u>
(above MPS Point 44 to
PPS ¹ Point 54b) | \$116,166 – \$159,130 per month |

5. Data collection commenced in February 2024 and ended in May 2024. Questionnaires with guidance notes were sent to participating companies for completion. The staff of the Pay Survey and Research Unit (PSRU) followed up by field visits or telephone discussions. The companies were asked to provide data on changes in basic salaries and additional payments other than those relating to fringe benefits.

6. Information collected for the survey was recorded in individual company statements, after their accuracy had been confirmed by the company concerned. Strict confidentiality was observed in the handling of company data which were made non-attributable in survey reports, so as to preserve the anonymity of the participating companies.

Survey findings

7. The PSRU analysed the company data in accordance with the approved methodology and presented its findings to the Pay Trend Survey Committee (PTSC) on 16 May 2024. Taking into account only those adjustments which related to the cost of living, general prosperity and company performance, general changes in market rates, merit increase and inscale

¹ MPS denotes Master Pay Scale; PPS denotes Police Pay Scale.

increment, the following pay adjustments had been made in the surveyed companies during the period from 2 April 2023 to 1 April 2024 –

- | | | |
|-----|---|---------|
| (a) | Lower Salary Band
(below \$25,815 per month) | + 6.63% |
| (b) | Middle Salary Band
(\$25,815– \$79,135 per month) | + 5.35% |
| (c) | Upper Salary Band
(\$79,136 – \$159,130 per month) | + 5.05% |

8. The PTSC met on 22 May 2024 to verify and consider the 2024 PTS Report. All members on the PTSC validated the survey findings. In line with the established practice, the PTSC submitted its Report to the Government for consideration.

Pay trend indicators

9. The findings of the PTSs were known as the gross PTIs. In accordance with the recommendations of the Committee of Inquiry into the 1988 Civil Service Pay Adjustment and Related Matters and pursuant to the decision of the Chief Executive-in-Council (CE-in-Council) in June 2019⁹², the Government, after deducting the values of civil service increments at their payroll cost, which were 1.16%, 1.03% and 1.04% respectively for the lower, middle and upper salary bands, arrived at the net PTIs for 2024-25¹⁰³ as follows –

² In considering the 2019-20 civil service pay adjustment in June 2019, the CE-in-Council also decided to put a cap on the Payroll Costs of Increments (PCIs) to be deducted from the gross PTIs. Specifically, from the 2019-20 civil service pay adjustment exercise onwards, the average PCI for each salary band from 1989-90 to 2019-20, or the actual PCI for the particular salary band for the year, whichever is the lower, will be adopted for deriving the net PTI for that salary band.

³ In June 2024, having considered all pertinent considerations including the net PTIs under the Improved Civil Service Pay Adjustment Mechanism, the CE-in-Council decided to increase the pay for civil servants in the upper, middle and lower salary bands and the directorate at the same rate of 3% with retrospective effect from 1 April 2024.

(a)	Lower Salary Band	+ 5.47%
(b)	Middle Salary Band	+ 4.32%
(c)	Upper Salary Band	+ 4.01%

**Civil Service Pay Scales Relevant to the Commission’s Purview
(with effect from 1 April 2024)**

<u>Master Pay Scale</u>		<u>Model Scale 1 Pay Scale</u>		<u>Craft Apprentice Pay Scale</u>	
<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>
49	147,125	13	19,755	4	13,460
48	142,010	12	19,355	3	12,335
47	137,085	11	18,960	2	11,155
46 (44B)	132,275	10	18,595	1	10,035
45 (44A)	127,700	9	18,230	0	9,465
44	119,650	8	17,880		
43	115,495	7	17,555		
42	110,740	6	17,200		
41	106,155	5	16,865		
40	101,775	4	16,520		
39	97,575	3	16,165		
38	93,255	2	15,840		
37	89,170	1	15,495		
36 (33C)	85,130	0	15,175		
35 (33B)	83,150				
34 (33A)	82,330				
33	81,510				
32	77,855				
31	74,345				
30	71,010				
29	67,850				
28	64,780				
27	61,865				
26	59,110				
25	56,450				
24	53,980				
23	51,545				
22	49,230				
21	47,010				
20	44,765				
19	42,640				
18	40,620				
17	38,715				
16	36,850				
15	35,080				
14	33,405				
13	31,795				
12	29,995				
11	28,225				
10	26,590				
9	25,115				
8	23,585				
7	22,145				
6	20,770				
5	19,535				
4	18,305				
3	17,200				
2	16,135				
1	15,180				
0	14,280				

<u>Training Pay Scale</u>		<u>Technician Apprentice Pay Scale</u>	
<u>Point</u>	<u>\$</u>	<u>Point</u>	<u>\$</u>
16	34,995	4	17,010
15	33,325	3	15,515
14	31,725	2	14,015
13	30,340	1	12,905
12	28,485	0	12,105
11	26,160		
10	24,020		
9	22,625		
8	21,235		
7	19,945		
6	18,730		
5	17,570		
4	16,510		
3	15,515		
2	14,535		
1	13,670		

公務員薪俸及服務條件常務委員會

Standing Commission on Civil Service Salaries and Conditions of Service

本會檔號 Our Ref. : JS/SC6/PIU/10 Pt. 22

尊函檔號 Your Ref. : CSBCR/PG/4-085/001/80

29 November 2024

Mrs Yeung Ho Poi Yan, Ingrid, JP
Secretary for the Civil Service
9th Floor, West Wing
Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

Dear Ingrid,

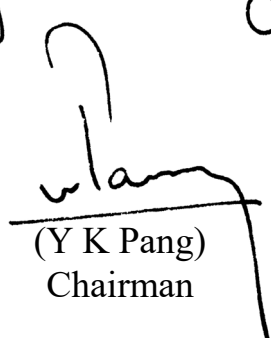
Review of the Methodology of the Pay Trend Survey

I am writing on behalf of the Standing Commission on Civil Service Salaries and Conditions of Service (Standing Commission) to offer our advice, under Clause I(d) of our terms of reference, on the methodology of the Pay Trend Survey (PTS).

The PTS is part of the civil service pay adjustment mechanism, and is conducted annually to ascertain the average year-on-year pay movements in the surveyed private sector companies. Since 2007, the PTS has been conducted on the basis of an improved methodology as approved by the Chief Executive-in-Council in March 2007. The Pay Trend Survey Committee (PTSC), a tripartite forum comprising representatives from independent advisory bodies, the staff side and the Government, may propose changes to the PTS methodology for consideration by the Standing Commission. The Standing Commission will in turn tender our advice to the Government. In line with the established practice, the PTSC, as assisted by the Pay Survey and Research Unit, conducts a review of the PTS methodology after each round of PTS in preparation for the next and will put forth its recommendations in the form of a report to the Standing Commission for our consideration. Over the years, a number of refinements have been made to the PTS methodology in accordance with this well-established mechanism.

The PTSC met in October 2024 to examine the PTS methodology, and recommended that the methodology for the 2024 round of the PTS be adopted for the 2025 exercise. The matters that the PTSC has reviewed and its recommendations on the survey methodology are set out at **Annex**.

The Standing Commission, having considered the PTSC's review report, is pleased to inform you that we support the PTSC's recommendations on the methodology for the 2025 PTS. We also wish to place on record our appreciation of the dedication and professionalism of PTSC Members involved in this important review exercise.

Yours sincerely,

(Y K Pang)
Chairman

Encl.

**Review of the Methodology of the Pay Trend Survey
conducted by the Pay Trend Survey Committee**

Recommendations on the 2025 Pay Trend Survey Methodology

Overall

The 2024 Pay Trend Survey (PTS) methodology should be adopted for the 2025 PTS. The matters that the Pay Trend Survey Committee (PTSC) has reviewed and its recommendations on the survey methodology are set out as follows –

(a) *Distribution of companies in the survey field*

An incremental approach will continue to be adopted to address the issues of over-representation or under-representation of individual economic sectors in the survey field. If in the future, any of the economic sectors become under-represented to the extent that new companies have to be identified for inclusion, the Pay Survey and Research Unit (PSRU) will, after having regard to the overall distribution of the economic sectors in the survey field and in the light of the then circumstances, endeavour to identify suitable new smaller companies for PTSC's consideration;

(b) *Components of salary adjustment - merit increase and special merit*

The PSRU will continue to collect information on special merit and will continue its explanation efforts and encourage companies to provide a breakdown of basic salary adjustments attributable to special merit; and

(c) *Collection of additional information*

The PSRU will no longer raise additional questions to seek observations and views from participating companies on salary adjustments in the private market in general, in their respective sectors, or in particular employee categories and/or salary bands. The PTS is also not a suitable vehicle for collecting information on the overall human resources management strategies adopted by private sector companies, and therefore

information will not be collected on the measures that companies have adopted or planned to adopt in response to manpower shortage and on the resultant possible impact on their rank and salary structures.

Pay Trend Survey Committee
November 2024

