

CHAPTER 7: CONDITIONS OF SERVICE AND OTHER MATTERS

7.1 This chapter gives an account of proposals submitted to us concerning conditions of service for the disciplined services and other issues.

Pay Groupings within the General Disciplined Services

7.2 The Rennie Committee divided the General Disciplined Services into two broad groupings -

Group A : Fire Services (Operational)
Correctional Services
Customs and Excise Service

Group B : Immigration Service
Fire Services (Ambulance)
Fire Services (Control)

7.3 These groupings were based on the Committee's judgement of factors affecting jobs in the disciplined services, such as know-how, problem-solving and accountability; age and qualifications; physical requirements; hours and intensity of work; shift patterns and unpredictable calls upon staff time; stress, risks and hardship, social segregation, discipline and other restrictions on freedom; promotion prospects and quarters.

7.4 The Rennie Committee recommendation on grouping raised deep concern amongst those disciplined services in Group B. We were asked by the Administration, as one of our first tasks, to study the implications and implementation of this recommendation. Therefore, we reviewed the need for, and the desirability of, maintaining two separate pay groupings within the General Disciplined Services.

7.5 We examined the pay scales for the disciplined services before and after the Rennie Committee recommendations in order to determine whether the groupings had had any discernible impact on the recommended pay scales. We concluded that, in arriving at its recommendations on new pay scales for the disciplined services, the Rennie Committee took into account not only the factors listed above, but also other factors, such as functional and operational considerations and recruitment and wastage problems. We were satisfied, therefore, that the Rennie Committee used groupings as a guide only; it also used other factors to fine-tune the salary scales. In other words, grouping was not the sole determinant in setting individual pay scales. In the light of these findings, we were not satisfied that grouping of the General Disciplined Services is necessary.

7.6 We had been informed by the Director of Fire Services and the Director of Immigration that grouping had had the undesirable effect of labelling individual services and this had undermined the hitherto good working relations between the disciplined services. We agreed that this clearly was not in the public interest. Since we were scheduled to undertake a job-evaluation exercise which would include re-examination of pay structure and levels, and having regard to the staff management and morale considerations, we concluded that grouping of the General Disciplined Services should be abolished.

7.7 We advised the Governor in July, 1989 along these lines. The disciplined services were informed of our advice to the Governor later the same month.

Flexibility in Passage Arrangements

7.8 In August, 1989, the Administration sought our advice on whether passage arrangements proposed by the Ross Committee for directorate officers in the non-disciplined service should apply to equivalent ranks in the disciplined services.

7.9 We were informed that -

- (a) since 1 August, 1987, local directorate officers on pay points between D1/DL1 and D3/DL3 of the general civil service Directorate/Directorate (Judicial/Legal Group) Pay Scales or equivalent points on the disciplined service pay scales had been permitted to split their biennial leave passage allowance, so that they might take two holidays with passages within the two-year eligibility period, provided that the passages were taken not more frequently than once a year; and
- (b) since 1 April, 1988, local and overseas directorate officers on pay points D4/DL4 and above of the general civil service Directorate/Directorate (Judicial/Legal Group) Pay Scales and equivalent points on the disciplined services directorate pay scales had been permitted to split their annual passage allowance so that they might take two holidays with passages within a twelve-month period.

7.10 We were informed that in its Tenth Report, the Ross Committee had recommended that the flexibility to split the passage allowance should be extended to all overseas directorate officers. The Administration proposed to implement this recommendation with effect from a current date, and at the same time, lift the restriction that local directorate officers eligible for biennial passages might

not take their split passages more than once a year.

7.11 We endorsed these proposals and advised the Administration in September, 1989 that the proposed flexible passage arrangements should apply equally to directorate staff in the disciplined services.

Consultative Machinery for the Fire Services Department

7.12 In July, 1989, the Director of Fire Services submitted a request to us for the establishment of either -

- (a) a joint Emergency Services Consultative Council serving the interests of both the Police Force and the Fire Services Department; or
- (b) a separate consultative council serving the interests solely of the Fire Services Department.

7.13 The Director considered that the status of the Fire Services Department as an emergency service had not been recognised by the Rennie Committee and, by including the Department on the General Disciplined Services Pay Scale with the other general disciplined services, it had broken the link between the only two real emergency services i.e. the Police Force and the Fire Services Department. He argued that if the Fire Services Department were to be accepted as another emergency service, then it should be placed on the same pay scale as the Police Force, or on its own Fire Services Pay Scale, and the Department should also have the same consultative arrangements which existed in the Police Force (i.e. the Police Force Council).

7.14 We considered the argument that the Fire Services Department and the Police Force are the only two emergency services to be incorrect. The RHKAAF, the Hospital Services Department, the Civil Aid Services and many other civilian organisations are also involved in emergency situations. The status of the Police Force and the Fire Services Department as emergency services had not been addressed by the Rennie Committee; the establishment of the Police Pay Scale, the revised pay changes recommended by the Rennie Committee and the proposal to set up a separate Disciplined Services Consultative Council were, therefore, unrelated to the question of emergency services.

7.15 We also noted that the Administration's existing consultative machinery is not dictated by the types of services provided, but by whether adequate representation could be made through the Senior Civil Service Council, which is the largest and principal

consultative body. Because of the many different types of services provided throughout the Civil Service (e.g. medical, engineering, surveying and cleansing as well as disciplined services) consultation on the basis of types of service provided would lead to a proliferation of consultative bodies; this would be both unwieldy and ineffective. The establishment of an Emergency Services Consultative Council would, therefore, be inconsistent with Government objectives.

7.16 The Police Force Council was established because Police officers, unlike other civil servants, are debarred by the Police Force Ordinance from joining trades union (as defined in the Trade Union Ordinance); they can only join one of the four police staff associations which are registered under the Societies Ordinance. Accordingly, Police officers cannot be represented on the Senior Civil Service Council, because staff side members of that Council have to represent trades union. These circumstances led to the formation of the Police Force Council in 1982 and we were satisfied that it had nothing to do with the fact that the Police Force is (or is not) an emergency service.

7.17 We had reservations about the establishment of a joint consultative council with the Police Force, because existing legislation prevents Police Officers from joining trades union or participating in any staff consultative council in which other members represent trades union. The Fire Service staff associations are trades union. Under the circumstances, we did not consider the Director's proposal feasible unless the law were changed to prevent Fire Services staff from joining trades union. There is also the question of whether a joint consultative council as proposed by the Fire Services Department would be acceptable to the Police Force.

7.18 We also found it difficult to support the Director's proposal to establish a separate Fire Services Consultative Council because the Fire Services Department already has a Departmental Consultative Council at which the Civil Service Branch is represented and in which departmental issues and interests are discussed. We saw no additional advantage in setting up another, almost identical, council.

7.19 We noted that the Disciplined Services Consultative Council proposed by the Standing Commission and the Rennie Committee was intended to represent the common interests of the general disciplined services by enabling matters of mutual concern to be discussed in a common forum. We considered that if one, or more, services were to have a separate consultative council then these service-wide issues could not be discussed and one of the objectives of the Disciplined Services Consultative Council would not be met.

7.20 We advised the Governor in December, 1989, that the request from the Director of Fire Services should not

be supported. However, we recommended that the Director of Fire Services should be asked to assist the Administration in the establishment of the Disciplined Services Consultative Council so that the interests of Fire Services staff and the other general disciplined services could be represented as a unified group.

7.21 The Director of Fire Services was informed of our advice to the Governor in December, 1989.

Medical Examinations for Police Officers

7.22 In August, 1989, the Commissioner of Police submitted a request for triennial mandatory medical check-ups for all members of the Force, to be introduced on a phased basis beginning with officers aged 40 years and over. The Commissioner argued that -

- (a) Police officers are subjected to a significant degree of physical and mental stress;
- (b) it is necessary for Police officers to be fit in order to withstand this stress;
- (c) it is necessary for the management to know who is fit in order to deploy Police manpower effectively; and
- (d) mandatory triennial medical check-ups would enable the management to plan these manpower requirements.



Visit to the Kowloon Regional Command and Control Centre of the Royal Hong Kong Police Force in October, 1989.

7.23 We considered that, although some jobs in the Police Force place high physical demands on the post-holders (such as those in the Police Tactical Unit or Special Duties Unit), this is not the case for a large number of Police jobs. We considered it inconsistent, therefore, to argue that all jobs, irrespective of rank or the nature of the job, should require a mandatory medical check-up.

7.24 We were aware that in line with civil service practice, the Police Force must grant an officer found to be suffering from an illness sick leave to recuperate. Alternatively, if the officer is certified to be temporarily unfit to carry out normal duties, he/she could be deployed on light duties. Only in extreme cases, where an officer is certified unfit and unlikely to recover, would he/she be invalided out of the service; until then the Police Force is prevented by civil service administrative procedures from recruiting a replacement. Therefore, even if the Police Force management were fully aware of the state of health of its officers, the information would be of limited help in planning manpower requirements.

7.25 We suggested that, if the Police Force wished to employ a management tool to ensure the physical fitness of its staff, it could consider extending physical training to its staff on a regular basis, or extending or modifying the annual fitness test to cover the unique requirements of a particular job or group of jobs.

7.26 We were also aware that the Ross Committee had recommended in its Tenth Report that, in line with private sector practice, all directorate officers aged 40 and above should be eligible for annual medical check-ups if they wished. We were advised that this recommendation had been accepted, in principle, by the Administration subject to the necessary financial provision and the development of suitable administrative arrangements.

7.27 We noted that the Ross Committee recommendation, if implemented, would become part of the conditions of service for directorate officers. Although we did not accept there were operational requirements for the Police Force to introduce mandatory triennial medical examinations for all Police officers, we considered it appropriate that the Ross Committee recommendation should be extended to cover directorate officers aged 40 and above in the disciplined services, including the Police Force, as a condition of service.

7.28 We, therefore, advised the Governor in December, 1989, that -

- (a) the Police Force's request for the provision of triennial mandatory medical check-ups for all Police officers should not be supported;

- (b) the Police Force should be advised to consider whether there are certain Police jobs, apart from those at the Police Tactical Unit and the Special Duties Unit, which require a particular level of fitness because of specific operational requirements;
- (c) the Police Force should be asked to consider whether the present annual fitness test should be extended or modified or whether special physical training should be introduced to identify and prepare those best suited for the jobs mentioned in (b) above; and
- (d) the Ross Committee recommendation on medical examinations for directorate officers aged 40 and above should be applied to directorate officers in the Police Force and the other disciplined services.

7.29 The Commissioner of Police was informed of our advice to the Governor in December, 1989.

Reduction in the Working Hours of Operational Firemen

7.30 The Director of Fire Services submitted a request in July, 1989 for the conditioned hours for operational firemen to be reduced from 60 to 54 hours per week in 1990/91 and to 48 hours in 1993/94. In December, 1989, we were informed by the Director that, in view of strong objections from the Hong Kong Fire Services Department Staff's General Association (HKFSDSGA) to his original submission, he would withdraw it and would be submitting fresh proposals to us.

7.31 In February, 1990, the Director made a fresh submission, proposing that the 48-hour week should be recognised formally by the Administration and implemented as soon as circumstances permitted; in the interim, the working hours should be reduced to 54, a 24-hour on/48-hour off shift system (which would result in a 56-hour week) should be introduced and the two extra hours worked per week should be compensated by the payment of DSOA. The Director advised that the additional cost could be met by redeploying staff and modifying operational procedures.

7.32 The HKFSDSGA, after a series of meetings with the Fire Services Department and the Administration, submitted another proposal to us on 21 March, indicating that it would accept a 54-hour week based on a 12-hour shift system. This proposal subsequently was endorsed by the Director of Fire Services. The HKFSDSGA further demanded an undertaking from the Administration that the conditioned hours would ultimately be reduced to 48 per week and that the Standing Committee would complete a

further review of their conditioned hours within six months. If this review indicated that a 48-hour week was reasonable, then any hours worked in excess of 48, from the date on which the 54-hour week was introduced should be repaid as overtime.

7.33 We considered the Director's proposal in April, 1990 and were satisfied that when compared with other disciplined services, the conditioned hours of work for operational firemen were long. However, we noted that the long hours were related both to the inherent nature of the work, which required firemen to stand-by for emergencies, and the 24-hour shift system which included time for rest and meals. The conditioned hours for operational firemen, therefore, included a significant number of inactive hours.

7.34 Because the nature of the work of firemen is so unique in the Hong Kong civil service, we considered it prudent also to look at the hours of work for fire-fighters in other parts of the world. We noted that there is a large variation in firemen's working hours throughout the world; it is quite common for firemen to work unusually long hours; and in London, firemen's working hours are the longest amongst all the disciplined services.

7.35 We considered the Director's proposal to reduce the conditioned hours of operational firemen from 60 to 48 per week unjustified because -

- (a) it is clear that given the nature of the firemen's duties, a large proportion of their working hours are inactive. Although such inactive hours must be recognised as working hours, it made it difficult to argue that the total conditioned hours for firemen should be shorter than, or the same as, those for staff in the other disciplined services, such as the Police Force or the Correctional Services or Customs and Excise Departments; and
- (b) the 24-hour shift system could not be regarded as putting firemen in a disadvantaged position in comparison to the rest of the civil service, bearing in mind that they worked 130 days a year and that they were allowed to rest for almost ten hours during each of those working days.

7.36 We also considered the Director's interim proposal for a 54-hour week, but with a 56-hour shift system, to be unjustified, because it would only serve to provide a half-way point between the firemen's existing 60-hour week and their objective of a 48-hour week and enable operational firemen to be paid two hours DSOA each week. This proposal might, therefore, be seen by the public at large as paying more money for less work.

7.37 However, we considered that there was a case for a limited reduction in operational firemen's working hours in order to bring them more into line with those for the other disciplined services. In line with the spirit of the Rennie Committee recommendations, we decided that a limited reduction in the working hours of not more than six hours should not alter their existing pay.

7.38 We advised the Governor in April, 1990 that -

- (a) the conditioned hours for operational firemen should be reduced by up to a maximum of six hours per week without any reduction in pay, provided that -
 - (i) the shift system is changed to reduce correspondingly the number of inactive hours;
 - (ii) there should be no automatic overtime inherent in the new shift system;
 - (iii) the new shift system would -
 - (A) enable the Department to provide the best possible service to the community;
 - (B) be responsive to demand, which was uneven at different times of the day; and
 - (C) be as cost-effective, or more cost-effective than, shift systems adopted elsewhere in the world (e.g. 9/15 or 10/14); and
- (b) the reduction of up to six hours should not be implemented until measures to obtain savings identified by the Director to finance this reduction had all been implemented.

7.39 We also advised the Governor that if the Administration should decide to establish a working party to consider any further reduction in the hours of work for operational firemen, it should take into consideration the working hours of the other disciplined services, in particular, those of the Police, Customs and Excise and Correctional Services staff.

7.40 The Director of Fire Services was informed of our advice to the Governor in May, 1990.

Review of Civil Service Housing Benefits

7.41 In March, 1990, the Administration sought our

advice on a housing benefits package which, if implemented, would apply throughout the civil service.

7.42 We were informed that a Working Group had been set up in March, 1989 by the Administration to review the existing housing benefits in the civil service. Subsequently, a package of proposals was developed with the objective of encouraging home ownership, while making the most effective use of the financial resources available for this purpose. Between September and November, 1989, staff were consulted extensively on the recommendations of the Working Group and the package was subsequently modified in the light of the comments received.

7.43 We were informed that the package would comprise -

- (a) modifications to the existing Home Purchase Scheme (HPS), by -
 - (i) adjusting the rates of allowance payable under the HPS to take account of prevailing property prices; and
 - (ii) permitting officers on MPS 22-24 or equivalent pay points on the disciplined services pay scales, and Model Scale I staff with twenty years of service, to join the scheme;
- (b) a new Home Financing Scheme (HFS) to be introduced as a condition of service for newly recruited local officers on the MPS 34 or equivalent pay points on the disciplined services pay scales and above in lieu of the existing benefits of a private tenancy allowance, non-departmental quarters, the HPS and the Housing Loan Scheme. Eligible serving officers on MPS 34 or equivalent pay points on the disciplined services pay scales and above would have the option to join this scheme or to retain their existing housing benefits subject to an option period; and
- (c) a new Accommodation Allowance for new overseas recruits to rent accommodation in lieu of eligibility for non-departmental quarters.

7.44 We endorsed the package and advised the Administration in May, 1990.

Departmental Quarters for Disciplined Service Staff

7.45 In March, 1990, the Commissioner of Police submitted a request to us for the shortfall in the

provision of departmental quarters for married Junior Police Officers, the Inspectorate and Superintendents of Police to be met in full within five years.

7.46 We were advised that departmental quarters are not provided as a condition of service and, since the Commissioner's submission dealt with the implementation of established government policy, strictly speaking, it was outside our terms of reference. However, we were sympathetic to the concerns of the Police Force regarding the provision of departmental quarters and, as a result, exceptionally decided to draw this matter to the attention of the Governor.

7.47 We advised the Governor in June, 1990, that we strongly supported any move to provide more departmental quarters for the disciplined services and anything the Administration could do to reduce the shortfall would have a significant effect on morale within the Police Force.

7.48 In response to this advice, we were informed subsequently by the Administration that, in addition to the agreed items for departmental quarters already in the Public Works Programme, \$600 million had been allocated under the Capital Works Reserve Fund Resources Allocation System for expenditure between 1990/91 and 1993/94 to purchase departmental quarters for the disciplined services. The Administration estimated that about 700 units would be bought, of which some 500 would be allocated to the Police Force; the remainder would be shared by the other disciplined services.

7.49 The Commissioner of Police was informed of our advice to the Governor and the Administration's reaction in August, 1990.

Pension Enhancement for Disciplined Service Staff

7.50 Between July and August, 1989, we received requests from the Commissioner of Correctional Services, the Commissioner of Customs and Excise, the Commissioner of Police, the Director of Fire Services and the Director of Immigration for the provision of improved pension benefits for disciplined service staff in their departments. They requested -

- (a) an improvement in the existing pension enhancement rate to enable staff to earn more pension benefits (to the extent that when staff retire at the age of 55, or 57 in the case of directorate officers, they would be entitled to pension benefits equivalent to those which they would have received had they retired at the age of 60);

- (b) compensation for loss of salary and fringe benefits; and
- (c) a number of other issues, including special retirement and pension arrangements and the appointment of an independent expert to consider this issue.

7.51 Because of the ramification of the proposals for all of the disciplined services, we decided that it would be inappropriate for our separate sub-committees to consider this issue; instead we established an ad-hoc Sub-Committee on Pensions, which acted in the same manner as our permanent Sub-Committees by considering the submissions we had received, hearing representations from the managements and staff associations in the disciplined services and the Administration and, subsequently, making a recommendation to the Standing Committee.

7.52 We were informed that a pension in the civil service is payable only to pensionable officers upon their retirement. An officer's pension is calculated at a specified rate (the pension factor) of his annual salary for each completed month of service, multiplied by the number of months he/she has served.

7.53 We noted that the New Pension Scheme, which came into operation on 1 July, 1987, raised the normal retirement age from 55 to 60 for the general civil service and did not provide for voluntary early retirement before that age. We noted that to cater for the disciplined services' particular operational requirements, the following special arrangements applied -

- (a) the heads of the disciplined services (or the Governor, in the case of directorate officers) are empowered to prescribe that any grade, rank or category of officers in the disciplined services must retire on or after reaching the age of 55 on operational grounds, and officers so retired would receive an enhanced pension (this provision is not available under the Old Pension Scheme); and
- (b) members of the rank and file of the disciplined services may retire voluntarily at the age of 50, and those in the Officer cadre at the age of 55, with immediate payment of pension benefits. (under the Old Pension Scheme, they may retire at the ages of 45 and 50 respectively).

7.54 We were advised that these arrangements had been introduced as a result of the concern, expressed by both the managements and staff of the disciplined services, that their operational staff might not be capable of discharging their duties effectively after reaching a certain age.