

## **Review of Job-related Allowances : Proposed Way Forward**

### **PURPOSE**

In a three-month consultation exercise which ended on 22 February 2002, the Civil Service Bureau (CSB) consulted the staff sides of the Central Consultative Councils and departmental management on the review recommendation made by the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) and the Standing Committee on Disciplined Services Salaries and Conditions of Service (the Standing Committee) on job-related allowances (JRAs) payable to civil servants. In the light of the feedback obtained from the consultation exercise, CSB sets out in this note the proposed way forward for further consultation with the staff sides and the departmental management.

### **BACKGROUND**

2. Following the conclusion of the three-month consultation on the review recommendations of the Standing Commission and the Standing Committee on JRAs, we have, at the request of the Public Accounts Committee, submitted a progress report to the Committee in March 2002, summarizing the comments received from departmental management and the staff sides during the consultation and the initial views of the Administration. The same progress report has also been submitted to the LegCo Public Service Panel for discussion in April 2002. The relevant extract of the progress report is at the **Annex** for reference.

### **BROAD CONSIDERATIONS**

3. In considering the way forward for the JRA review exercise, we need to have regard to the following broad considerations -

- (a) In response to the Director of Audit Report No. 33 in 1999, the Public Accounts Committee (PAC) has expressed the view that the Administration should have a mechanism of regularly reviewing the justifications for various allowances. The Administration should also take early action to abolish

allowances that have become outdated or are no longer justified in present day circumstances, having regard to the Director of Audit's concerns, value-for-money considerations, accountability for public expenditure, prevailing human resource practices in the private sector, and staff reaction. In response to these comments, we have undertaken to consider improvements to the administration of the JRA system in order to ensure that only justified allowances will be paid; and

- (b) Under the existing civil service pay system, JRA is a supplementary payment to compensate staff for carrying out certain extra duties. The reviews conducted by the Standing Commission and the Standing Committee in 1999 had proceeded on this basis. Subsequently, the Administration decided in December 2001 to embark on a comprehensive review of our civil service pay policy and system. The review, which will be conducted in two phases, is still at an early stage and it is too early to speculate on how the pay system will be modified and whether and how the existing JRA system will be affected.

4. In view of the aforementioned considerations, we are of the view that we should at this stage focus on measures which would improve on the administrative efficiency of the JRA system while broadly maintaining the existing framework of the system. Fundamental changes to the system should be tackled at a later stage when we have a clearer idea of future changes to the broader civil service pay system.

5. In addition, we are mindful of the need to ensure a broadly consistent approach in the administration of JRAs in respect of the civilian grades and the disciplined services. The existing JRA systems for civilian staff and disciplined services staff share a number of commonalities in terms of, for instance, the role of JRAs and the principles governing the payment of such allowances. While recognizing that different circumstances may pertain to the disciplined services which warrant different treatment, we consider it prudent to have regard to the need for broad consistency between the civilian service

and the disciplined services, where appropriate.

## **PROPOSED WAY FORWARD FOR REVIEW RECOMMENDATIONS**

6. Taking account of the feedback received from the staff sides, departmental management and the LegCo Public Service Panel as well as the broad considerations set out in paragraphs 3 to 5 above, our proposed way forward on the review recommendations made by the two advisory bodies are set out in paragraphs 7-18 below.

### **JRA Principles**

7. The Standing Commission has re-affirmed the validity of all but three existing principles. The three principles in respect of which the Standing Commission has proposed changes are: lowering the eligibility cut-off point for JRA payment; deletion of the principle in respect of “substantial time” spent on the duties in question; and clarification of the principle in respect of “inherent duties”. The Standing Committee, on the other hand, considers that all the existing principles governing JRAs payable to the disciplined services remain valid.

#### ***(a) Lowering of eligibility cut-off point***

8. The Standing Commission has proposed to align the current eligibility cut-off point for JRAs with that for Overtime Allowance in respect of civilian grades. We note the staff sides’ concern about this proposal and the divergent views of departmental management on this matter. As the deliberations in the ongoing comprehensive review on civil service pay policy and system may have an impact on whether the JRA eligibility cut-off point should be lowered, we feel that we should not rush into a decision on this review recommendation of the Standing Commission at this stage. We, therefore, propose to **withhold action** on this recommendation for the time being and to revisit the matter in the context of the comprehensive review on civil service pay policy and system.

*(b) Deletion of the principle on “substantial time”*

9. The Standing Commission has recommended to delete the principle **“JRAs should not be paid to officers unless the extra or unusual duties take up a substantial part of their time”** due to difficulty in maintaining consistency in its application across departments and the need to allow greater flexibility for departments to use JRAs as motivation for staff to achieve prompt and efficient delivery of public service. We consider that the frequency of performing the tasks in question or the time spent on them should still be valid considerations in deciding whether JRAs are payable. Moreover, based on the feedback we received during the consultation, there are concerns that deletion of the principle may result in ambiguity and arguments over whether a minor ad hoc duty should attract JRA. In view of the foregoing, we consider that rather than deleting the existing principle, we should **modify** it so that the duration and frequency of undertaking the extra duties in question will also be considered whilst the focus should be on service need and operational efficiency. The modified principle would thus read as follows -

**“JRAs should not be payable unless the officers are required to deliver the extra or unusual duties for such duration and frequency as considered appropriate by the management in the light of service need and operational efficiency.”**

10. The modified principle acknowledges that there are differences in the particular circumstances facing individual departments and the need to allow departmental management a judicious measure of flexibility in considering whether JRAs should be paid for particular tasks. As the existing principle on “substantial time” also applies to the disciplined services, we consider that the proposed modification set out in paragraph 9 above should also apply to the disciplined services in the interest of consistency in approach.

**(c) Clarification of the “inherent duties” principle**

11. The Standing Commission has recommended that the principle on “inherent duties” should be clarified as: **“JRAs should not be paid for duties that are inherent to the department concerned. In other words, JRAs should not be paid for inherent duties performed by staff recruited**

**directly by departments, unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale.”**

12. Both the staff sides and the departmental management have raised concerns on the recommendation. Based on the feedback received during the consultation, we envisage that the Standing Commission’s recommendation will give rise to the following issues -

- (a) The meaning of “duties inherent to the department” is unclear. If we interpreted this literally, all duties discharged by a department might be regarded as duties inherent to the department with the result that practically all JRAs currently payable to departmental and common grade staff would have to cease;
- (b) While common grades staff directly recruited by departments should be aware of their duties and work environment, the fact remains that common grades in different departments share the same pay scale, which may not have taken account of various department-specific duties. The concerned department is, however, not at liberty to adjust the pay scales of the common grade staff within its preview;
- (c) Adoption of the recommended principle might lead to demands for an immediate review of the pay scales of the concerned common grades. We do not consider it appropriate, while the comprehensive review on civil service pay policy and system is still underway, to embark on a review of the pay scales of selected grades;
- (d) The proposed arrangement may lead to difficulty in staff deployment in that common grade staff might be reluctant to take up positions which involved the discharge of responsibilities that are perceived to be over and above what is normally required of the specified grade/rank.

13. In view of the foregoing, we consider that we should **clarify** the term “inherent duties” in the existing principle to refer to those duties normally expected of the concerned grade/rank having regard to the nature of the department concerned. The revised principle should read as follows -

**“JRAs should not be paid for inherent duties of the concerned grade and rank unless the pay structure of the grade/rank concerned is such that these duties cannot be reflected in the pay scale.”**

We should also emphasise that the inherent duties expected of the concerned grade/rank would evolve with time to take account of developments such as advancement in technology and improvements in the department’s service delivery.

14. The existing principle on “inherent duties” also applies to the disciplined services. To maintain broad consistency, we consider that the modified principle should similarly apply to the disciplined services. Since all disciplined services staff belong to departmental grades, “inherent duties” have always been interpreted as duties inherent to the concerned grade and rank. Hence, the proposed clarification of the “inherent duty” principle will have **no** material effect on the disciplined services.

#### **Categorisation of JRAs, rate-setting mechanism, moratorium and future review mechanism**

15. The Standing Commission has proposed to rationalize the existing categorization of JRAs, revise the mechanism for setting and adjusting JRA rates, impose a six-month moratorium for review of individual JRAs and put in place a new review and monitoring mechanism. These proposals are intended to improve and streamline the administration of JRAs for the civilian staff.

16. The proposals put forward by the Standing Commission concern essentially detailed implementation matters which we generally concur with. The proposed re-categorisation of JRAs would not directly result in the abolition of existing allowances. After the re-categorisation, there may continue to be a variety of rates within the same category of allowances to adequately cater for extra duties of different degrees of complexity. We accept that the existing mechanism for reviewing JRAs has room for improvement. In particular, we favour a new mechanism which will ensure that all JRAs are reviewed regularly and that JRA payments will cease once

they are found no longer justified. We intend, therefore, to **accept** the Standing Commission's recommendations.

17. We intend to take forward the proposed moratorium shortly so that the detailed review on individual JRAs may proceed as soon as possible. We will take into account departmental management's various practical suggestions regarding the implementation of the moratorium. We share the staff sides' view that there should be adequate staff consultation during the moratorium and would ask departmental management to consult their staff in taking forward the detailed review on individual JRAs.

18. The Standing Committee has reviewed all individual allowances payable to disciplined services staff and have confirmed that they remain valid. There is thus no need for a moratorium as in the case of JRAs payable to civilian grades. As regards the future review and monitoring mechanism, in view of the Standing Committee's remark that a central monitoring mechanism may serve as a useful safeguard, we see merit in following the recommendation made by the Standing Commission in respect of the JRAs payable to civilian grades. We shall separately discuss this essentially internal administrative matter with the departmental management of the disciplined services.

### **NEXT STEP**

19. CSB will take a final decision on the review recommendations of the Standing Commission and the Standing Committee on the payment of JRA after considering the feedback from the staff sides and departmental management on the proposed way forward set out in this note.

Civil Service Bureau  
September 2002

**Extracts of the  
Progress Report on the Review of Job-related Allowances  
Submitted to the Public Accounts Committee in March 2002**

**Administration of Allowances in the Civil Service**

**PURPOSE**

The Administration has sought the views of departmental managements and the staff sides on the recommendations made respectively by the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) and the Standing Committee on Disciplined Services Salaries and Conditions of Service (the Standing Committee) in respect of job-related allowances (JRAs) payable to civilian staff and disciplined services staff. This paper briefs the Public Accounts Committee on the comments received and the Administration's initial views.

**BACKGROUND**

2. JRAs are additional payments to compensate staff for aspects of their work which are not normally expected of a particular grade or rank and which have not been taken into account in the determination of their pay scales of the relevant grade and rank. At present, civil service grades with a similar requirement on educational qualification for appointment are broadbanded into educational qualification groups. Benchmark pay points are set for key educational qualifications that are stipulated as entry requirements for appointment to the civil service. The starting pay for an entry rank is then set with reference to the relevant qualification benchmark, having regard also to other factors relating to the job nature of that particular rank.

3. JRAs are not fringe benefits. They are only payable when the payment is justified on operational grounds and meet a set of governing principles. These principles include: JRAs should not be paid simply for the acquisition or possession of a skill or qualification; JRAs should not be paid for

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changes in duties resulting from introduction of new technology or improvements in operational methods, etc. The existing governing principles applicable to JRAs payable to civilian staff and disciplined services staff are set out at **Annex A**.

4. There are four major categories of JRAs, namely, Extraneous Duties Allowances (for civilian staff) and Extra Duties Allowances for Disciplined Services, Hardship Allowances (not applicable to disciplined services grades), Shift Duty Allowance (not applicable to disciplined services grades) and Special Allowances. A description of the four categories is at **Annex B**.

### **The JRA Review**

5. The Standing Commission last carried out a comprehensive review on the policies on JRAs in 1986. The Standing Committee adopted similar principles for the payment of JRAs in the disciplined services in 1989. In 1999, the Administration decided to conduct another comprehensive review of JRAs. Accordingly, the Standing Commission and the Standing Committee conducted independent reviews on the JRAs payable to civilian and disciplined services staff respectively. Fringe benefits type of allowances (such as education allowance) and overtime and overtime-related allowances and acting allowances (which have been separately reviewed) did not fall within the scope of these two reviews.

6. The two advisory bodies have subsequently rendered advice to the Administration on the principles governing JRAs, and their categorisation and the rate-setting mechanism, as well as the future review and monitoring mechanism. The Standing Commission has further proposed a 6-month moratorium for the JRAs payable to civilian staff during which period the heads of departments would review and justify each of their JRAs. The Standing Committee has, of its own accord, examined all the individual JRAs in respect of the disciplined services.

7. Concurrent to the reviews undertaken by the Standing Commission

and the Standing Committee, in response to the Director of Audit Report No. 33 published in 1999, the Public Accounts Committee (PAC) has expressed the view that the Administration should establish a mechanism to regularly review the justifications for various allowances paid to civil servants. In addition, the Administration should take early action to abolish allowances that have become outdated or are no longer justified in present day circumstances, having regard to the Director of Audit's concerns, value-for-money considerations, accountability for public expenditure, prevailing human resource practices in the private sector, and staff reaction.

**VIEWS RECEIVED FROM THE DEPARTMENTAL MANAGERMENTS  
AND STAFF SIDES ON THE RECOMMENDATIONS OF THE  
STANDING COMMISSION AND THE STANDING COMMITTEE**

8. We have consulted the staff sides of the four Central Consultative Councils on the recommendations of the Standing Commission and the Standing Committee arising from their respective reviews on JRAs payable to civilian staff and disciplined service staff. The consultation ended in February 2002. In parallel, we have sought the views of departmental managements on the review recommendations. The recommendations of the two advisory bodies and the feedback from the staff sides and departmental management are set out in the following paragraphs.

**I. General**

*Recommendations of the advisory bodies*

9. Both the Standing Commission and the Standing Committee have re-affirmed the role of JRAs in the civil service to supplement civil service pay in specified circumstances. Specifically, the Standing Commission recognizes that in view of the broadbanded structure of civil service grades, it would not be cost-effective or practicable to incorporate all JRAs into the pay scales of various grades and ranks.

Departmental comments and staff sides' comments

10. The departmental management and the staff sides have no disagreement over the role of JRAs in the civil service. In particular, the Senior Civil Service Council (SCSC) and the Model Scale I Staff Consultative Council (MOD I Council) emphasise the need to continue to compensate staff for performance of duties which are not their normal responsibilities and which have not been reflected in their pay scales.

**II. JRA Principles**

Recommendations of the advisory bodies

11. The Standing Commission has re-affirmed the validity of all but three existing principles. The three principles in respect of which the Standing Commission has proposed changes are : lowering the eligibility criteria for JRA payments (principle no. 1), deletion of the principle in respect of “substantial time” spent on the duties in question (principle no. 2), clarification of the principle in respect of “inherent duties” (principle no. 3). The Standing Committee, on the other hand, considers that all the existing principles governing JRAs payable to the disciplined services remain valid.

12. The recommendations of the Standing Commission and the Standing Committee on the existing JRA principles are set out at Annex A. The changes to the JRA principles recommended by the Standing Commission are discussed below.

**(a) Lowering of eligibility**

13. At present, one of the principles governing JRA for civilian grades is that officers above MPS 33 (\$47,590) are not eligible for JRAs. This is because the pay scale of ranks above MPS 33 were broadbanded to take into account variations in the duties of equivalent ranks so that the payment of allowances was not considered to be necessary. Also, Members of the administrative and professional grades are not eligible. The Standing Commission has proposed to align the current eligibility cut-off point for JRAs with that for Overtime Allowance in respect of the civilian grades. This means that only staff in ranks with pay scale maxima on or below MPS 25 (\$32,955)

and scale minima on or below MPS 19 (\$24,900) who are currently eligible for Overtime Allowance will be eligible for JRAs. Members of the administrative and professional grades will continue to be ineligible. The reason for this proposal is to underline a general policy that civil servants discharging management functions or duties of a comparable level of responsibility should not stick to rigid duty lists and receive additional allowances when they take up new or additional duties. On the other hand, the Standing Committee has not proposed any re-alignment of the eligibility cut-off point for JRAs in respect of disciplined services staff (PPS 47 or GDS(O)31) with that for Disciplined Service Overtime Allowance (DSOA) (PPS 47 or GDS(O)25).

Departmental comments

14. The views of the civilian departments/bureaux are divided. On the one hand, some have expressed strong reservations about the Standing Commission's proposal. Their comments are summarized as follows:

- (a) Overtime Allowance and JRAs are for different purposes. The former is to compensate for work done beyond conditioned hours of work and can be compensated by time-off. JRA is to compensate for extra unusual work done beyond normal duties and which has not been reflected in the pay scales and for which there is no alternative compensation.
- (b) Overtime work can be avoided and minimized. Duties for which JRAs are payable are operational and must be performed. For example, officers may be required to work shifts or under typhoon/rainstorm black warning conditions even though their pay scale may not have taken these duties into account. In such circumstances, Shift Duty Allowance and Typhoon/Rainstorm Black Warning allowances are payable. The duties involved are of an operational nature and it is not appropriate that only those officers below the overtime cut-off point are eligible for these allowances.
- (c) The Standing Committee has not recommended a similar alignment of the eligibility cut-off point for JRAs payable to disciplined services staff.

15. On the other hand, some civilian departments support the lowering of the JRA eligibility ceiling and regard this move as being consistent with the general principle that officers in managerial positions should not expect financial rewards for extra duties.

16. As regards disciplined services departments, most of them agree with the Standing Committee's recommendation that the existing eligibility criteria should be maintained. The main reasons for their view that the eligibility cut-off point for JRA should not be aligned with DSOA are:

- (a) The DSOA and JRA are for different purposes. The former is to compensate for extra work done beyond conditioned hours of work whereas JRAs are to compensate for additional duties not normally expected of the concerned grade and rank. Compensation for overtime can be in the form of time-off whilst there is no alternative compensation for duties currently attracting JRAs;
- (b) The disciplined services are fundamentally different from civilian department and this justifies different approaches in respect of the eligibility criteria for JRAs. In this connection, the Standing Committee has re-affirmed the validity of the current eligibility criteria; and
- (c) Officers receiving the allowances are operational staff and are not performing managerial duties.

Staff sides' comments

17. As for the staff sides, the Disciplined Services Consultative Council (DSCC) supports the Standing Committee's recommendation that the eligibility level for JRA in respect of the disciplined services should remain unchanged. The SCSC also objects to the proposed lowering of the eligibility level for the civilian grades and considers it unreasonable to draw an analogy between the eligibility for Overtime Allowance and JRAs because overtime work may be compensated by time-off but there is no alternative compensation for duties attracting JRA.

CSB's initial views

18. We recognize the rationale behind the Standing Commission's recommendation, which is that Overtime Allowance and JRAs are intended to compensate staff over and above the normal work requirement, which can be over the normal hours of work or beyond their normal duties. On the other hand, we note the point that unlike overtime work which may be compensated by time-off as an alternative, there is no alternative compensation for duties attracting JRAs. We need to further consider the matter in the light of the feedback received during the consultation and the likely impact of the proposals on the civil service before reaching a decision.

***(b) Deletion of the Principle on "Substantial Part of Their Time"***

Recommendations of the advisory bodies

19. The Standing Commission has proposed to delete the principle "***JRAs should not be paid to officers unless the extra or unusual duties take up a substantial part of their time.***" In recommending the deletion of this principle, the Standing Commission has taken into account the difficulty in maintaining consistency in the application of this principle and the need to allow greater flexibility for departments to use JRAs as motivation for staff to achieve prompt and efficient delivery of public services.

Departmental comments

20. Most departments consider that while it is appropriate to focus on operational requirements rather than the time spent on the concerned duties, the frequency of the tasks in question or the time spent on them are still a valid consideration. They further consider that the deletion of the principle may result in ambiguity and arguments with staff over whether the performance of certain duty should attract payment of JRA. Thus, they consider that the principle should be modified to take into account the time spent on the duties in question and the focus should be on operational need.

Staff sides' comments

21. As for the staff sides, both SCSC and DSCC consider that the

existing principle should not be deleted as operational needs and the duration of performing such duties should be taken into account in determining whether JRA should be payable.

CSB's initial views

22. Whilst we share the Standing Commission's view that it is more appropriate to focus on operational requirements rather than the time spent on the concerned duties, we consider that the frequency of the tasks in question or the time spent on them are still valid considerations in deciding whether JRAs should be payable. We are considering the appropriateness of modifying this principle rather than deleting it, and will revert to the two advisory bodies if necessary.

**(c) Clarification of the "Inherent Duties" Principle**

Recommendations of the advisory bodies

23. It has been an established principle that where job factors (such as job content which involves special and unusual skill, or exceptional responsibility and shift work) apply to more than 75% of the members of a grade, they are regarded as inherent duties of the grade and are accordingly reflected in the pay scales. Where any of these factors apply to less than 75% of the members of the grade, consideration may be given to the payment of JRA, since it will not be cost-effective to reflect the duties in the pay scales. Inherent duties are, in other words, normal duties expected of the grade and rank.

24. The existing principle in question is "***JRAs should not be paid for inherent duties of officers unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale***". The Standing Commission has raised two issues in connection with this principle. First, the need to ensure that JRAs are not paid for inherent duties, or normal duties expected of the grades. The content and mode of operation of a civil service job should continuously evolve in the light of changing service needs and developments in the external environment. A duty that was not inherent to a grade or rank in the past may no longer remain so in present day circumstances. It is incumbent on the departmental management to periodically review and update the job descriptions of the grades and ranks within their purview,

examine the prevalence of the duties in question and consider whether payment of JRAs continues to be justified.

25. The second issue raised by the Standing Commission is “duties inherent to whom”. The current wording of the principle is silent on this, but hitherto, “inherent duties” have been taken to mean duties inherent to the grade and rank in question. The Standing Commission, however, suggests clarifying the term to mean duties inherent to the department concerned. It proposes that the principle should be revised as: “***JRAs should not be paid for duties that are inherent to the department concerned. In other words, JRAs should not be paid for inherent duties performed by staff recruited directly by departments, unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale.***” The Standing Commission considers that if a staff is recruited directly by a department, he should be well aware of the work involved and the working environment, hence there is no justification for payment of JRA as an incentive.

#### Departmental comments

26. Some departments do not agree to the Standing Commission’s recommendation and have raised the following issues:

- (a) While common grades<sup>1</sup> staff directly recruited by departments should be aware of their duties and work environment, the fact remains that common grades in different departments share the same pay scale, which may not have taken account of duties that are inherent to a particular department. The concerned department is, however, not at liberty to determine the pay scales of the grades concerned. In such circumstances, it would not be appropriate to cease payment of JRAs solely on the ground that the staff are directly recruited by the departments concerned.
- (b) Every department has a wide range of duties to be discharged. It is a matter of judgment as to what duties should be regarded as a department’s inherent duties. The Standing Commission’s

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<sup>1</sup> Civil servants in common grades share the same grade/rank titles and the same pay scale, but they are separately appointed and managed by individual departments. Examples are the Artisan Grade and the Foreman Grade.

recommendation is silent on how to determine whether a duty is inherent to a department. This would lead to practical difficulties in implementation.

- (c) Departmental or common grades staff in certain departments may be subject to posting changes or job rotations within a department. Whilst these staff should be aware of the duties of the post to which they are recruited, the work environment and the relevant pay at the point of recruitment, they may not be aware of the full range of duties they may have to perform.
- (d) Departmental management may have difficulty in deploying staff to those posts which involve more demanding duties compared to other posts in the same rank if JRAs is no longer payable.

Staff sides' comments

27. Both the SCSC and the MOD I Council consider that for duties which have not been reflected in the pay scales, JRA should continue to be payable as compensation.

CSB's initial views

28. Both the departmental management and the staff sides have raised valid issues of concern. We need to further consider how best to address the issues raised by the Standing Commission while taking account of the concerns reflected by the staff sides. We may need to revert to the two advisory bodies on a modified approach.

### **III. Categorisation of JRAs and Rate-setting Mechanism**

Recommendations of the advisory bodies

29. As stated in paragraph 4, there are at present four major categories of JRAs. Extra Duties Allowance and Hardship Allowance are further divided into sub-categories. As for the allowance rates, some JRAs are paid at standard rates (e.g. Hardship Allowance (Obnoxious Duty) is \$656 per month or 7.6% of MPS 1), some are paid at non-standard rates (i.e. the rates are determined having regard to the specific circumstances of the case). Most of the allowance rates

are set at a percentage of MPS Point 1.

30. The Standing Commission has proposed that in the interest of clarity of purpose, the existing categories of JRAs should be rationalized into the following four categories: Extraneous Duties Allowances, Hardship Allowances, Typhoon/Rainstorm Black Warning Allowances and Shift Duty Allowances and that there will be no more sub-categories. A brief description of the recommended categories is at **Annex C**. The Standing Commission has further proposed that the demarcation between standard and non-standard rates should be abolished, and that the validity of all current rates of the JRAs should be reviewed and re-affirmed. Thereafter, the re-affirmed rates should be de-linked from any reference point on the MPS and be adjusted according to the rate of the annual pay adjustment for civil servants in the lower salary band. New rates should be set through a system of internal benchmarking to be done centrally.

*Departmental comments and staff sides' comments*

31. Almost all departments agree or raise no objection to the proposal. The SCSC and the MOD I Council have raised concern as to whether the proposed re-categorisation (e.g. removal of sub-categories of Extraneous Duties Allowances) would fairly reflect the different degrees of complexity of the extra duties and whether it would result in the abolition of certain allowances.

*CSB's initial views*

32. The proposed re-categorisation per se would not directly result in the abolition of existing allowances. After the re-categorisation, there may continue to be a variety of rates within the same category of allowances. But according to the Standing Commission's recommendation, individual Heads of Departments will have to review and re-affirm the continued validity as well as the rates of each JRA within their purview. As such, the Standing Commission's proposal on JRA categorization and the rate setting mechanism would adequately cater for extra duties of different degrees of complexity.

**IV. Moratorium and Future Review Mechanism**

*Recommendations of the advisory bodies*

33. The Standing Commission has recommended the imposition of a

6-month service-wide moratorium on JRAs payable to civilian grades during which heads of departments would review and justify each JRAs within their purview (except Shift Duty Allowance and Typhoon/Rainstorm Black Warning Allowances which are payable for specified work conditions) having regard to the up-to-date job descriptions and the revised JRA principles, and re-affirm the validity of the rates. During the moratorium, all JRA rates will be frozen. There will be no new allowances or new claimants for existing allowances except where exceptionally approved. Payment of existing allowances would continue during the moratorium, but would cease with immediate effect as soon as the review by departments concludes that their continued payment is not justified, or at the latest at the end of the moratorium unless the review justifies their continuation.

34. As stated in paragraph 6 above, the Standing Committee has, of its own accord, reviewed all individual allowances and have re-affirmed the validity of all of them except the ICAC Post Allowance which the Standing Committee recommends should cease for new recruits<sup>2</sup>. There is thus no need for a moratorium to facilitate a review of individual allowances payable to the disciplined services.

35. On the future review and monitoring arrangements, the Standing Commission has recommended that after the moratorium when justified allowances are re-affirmed, all JRAs have to be approved by the Civil Service Bureau with the support of the relevant policy bureaux on a time-limited basis not exceeding two years, subject to review and re-approval, if justified, by the end of the specified period. The Standing Committee considers that the current system for the administration and review of JRAs in the disciplined services appear to be sound. But it remarks that a central monitoring mechanism established by the Administration might have a useful role as an additional safeguard.

#### Departmental comments

36. Departments generally have not raised any objection to the Standing Commission's recommendations for a moratorium and the proposed monitoring and review mechanism. At the same time, departments have made

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<sup>2</sup> ICAC has, at its own initiative, ceased the ICAC Post allowance for new recruits from June 2000.

suggestions on certain practical issues relating to the moratorium. For instance, the suggestion to disallow any new claimants for JRAs during the moratorium may not be appropriate in certain circumstances (e.g. where jobs for which JRAs are paid are to be filled on a rotational basis). Comments have also been made on the appropriateness of having a central approval authority for all JRAs.

Staff sides' comments

37. The staff sides of the Central Consultative Councils have not raised any objection to the proposed moratorium. But the SCSC and the MOD I Council emphasize that affected staff unions should be consulted fully during the moratorium. The SCSC also opines that staff who become eligible for JRAs due to change of duties/posts during the moratorium should continue to be eligible for JRAs. It supports the new JRA administration system proposed by the Standing Commission.

CSB's initial view

38. We generally agree that there is room for improvement in the existing review and monitoring mechanism for JRAs. There are merits in establishing a new mechanism which would ensure that all JRAs are reviewed regularly and that JRA payments will cease once they are found no longer justified. In view of the practical concerns raised by departments on the Standing Commission's recommendation for a moratorium during which all existing JRAs are to be reviewed, we shall further consider how the moratorium proposal could be further refined. We note departments' comment on the appropriateness of a centralized approach. Our initial view is that even if CSB is going to assume the role of a central approving authority, we will continue to rely heavily on the departments' input in the process. CSB's focus will be primarily to ensure strict adherence to the agreed JRA principles and a degree of consistency across departments in dealing with JRAs. We shall further consider the practical issues arising from the Standing Commission's recommendation on a moratorium and the future review mechanism to avoid unduly complicating the administration of JRAs.

Civil Service Bureau  
March 2002

**Existing principles governing payment of job-related allowances and the recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service (SC) and the Standing Committee on Disciplined Services Salaries and Conditions of Service (SCDS) in the JRA Review**

<p align="center"><b>General principles applicable to civilian grades and SC's recommendations</b></p>	<p align="center"><b>General principles applicable to disciplined services and the SCDS' recommendations</b></p>
<p>1. Eligibility for JRAs should be determined by reference to a cut-off point at MPS 34 (i.e. payable up to MPS 33). Members of the administrative and professional grades should not be eligible.</p> <p><b>SC recommends the following revised principle –</b>  <i>"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."</i></p>	<p>1. Eligibility for JRA should normally be confined to operational staff and may be extended to officers up to PPS 47 or GDS(O)31.</p> <p><b>SCDS does not recommend any change.</b></p>
<p>2. JRAs should not be paid to officers unless extra or unusual duties take up a substantial part of their time.</p> <p><b>SC recommends deletion of the principle.</b></p>	<p>2. Same as principle 2 for civilian grades.</p> <p><b>SCDS does not recommend any change.</b></p>

Note: MPS : Master Pay Scale

PPS : Police Pay Scale

GDS(O) : General Disciplined Services (Officer)

<p align="center"><b>General principles applicable to civilian grades and SC's recommendations</b></p>	<p align="center"><b>General principles applicable to disciplined services and the SCDS' recommendations</b></p>
<p>3. JRAs should not be paid for inherent duties unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale.</p> <p><b>SC recommends the following revised principle –</b>  <i>"JRAs should not be paid for duties that are inherent to the department concerned. In other words, JRAs should not be paid for inherent duties performed by staff recruited directly by departments, unless the pay structure of the grades concerned is such that these duties cannot be reflected in the pay scale."</i></p>	<p>3. Same as principle 3 for civilian grades.</p> <p><b>SCDS does not recommend any change.</b></p>
<p>4. JRAs should not be paid for changes in duties resulting from introduction of new technology or improvements in operational methods.</p> <p><b>SC does not recommend any change.</b></p>	<p>4. Same as principle 4 for civilian grades.</p> <p><b>SCDS does not recommend any change.</b></p>
<p>5. JRAs should not be paid to officers merely for acquisition of extra skill/qualifications but are paid when officers are requested to use the extra skill/qualifications reasonably often.</p> <p><b>SC does not recommend any change.</b></p>	<p>5. Same as principle 5 for civilian grades.</p> <p><b>SCDS does not recommend any change.</b></p>

<p align="center"><b>General principles applicable to civilian grades and SC's recommendations</b></p>	<p align="center"><b>General principles applicable to disciplined services and the SCDS' recommendations</b></p>
<p>6. 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.</p> <p><i>SC does not recommend any change.</i></p>	<p>6. Same as principle 6 for civilian grades.</p> <p><i>SCDS does not recommend any change.</i></p>
<p>7. 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 regrading of posts or the rotation of staff to fill the posts is not practicable.</p> <p><i>SC does not recommend any change.</i></p>	<p>7. Same as principle 7 for civilian grades.</p> <p><i>SCDS does not recommend any change.</i></p>
<p>8. 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.</p> <p><i>SC does not recommend any change.</i></p>	<p>8. Same as principle 8 for civilian grades.</p> <p><i>SCDS does not recommend any change.</i></p>
	<p>9. For disciplined staff, JRAs should be paid if the extra duties are more demanding or valuable (e.g. more dangerous, stressful or riskier) and are not a substitute for normal duties.</p> <p><i>SCDS does not recommend any change.</i></p>

<p style="text-align: center;"><b>General principles applicable to civilian grades and SC's recommendations</b></p>	<p style="text-align: center;"><b>General principles applicable to disciplined services and the SCDS' recommendations</b></p>
	<p>10. For disciplined staff, where factors for the payment of allowances apply to at least 75% of staff in the rank, adjustments should be made to the pay scale of the rank instead of paying allowance to individuals.</p> <p><b><i>SCDS does not recommend any change.</i></b></p>

## Major Categories of Job-Related Allowances

For Civilian Staff	For Disciplined Services Staff
<b>1. Extraneous Duties Allowances (EDA)</b>	<b>1. Extra Duties Allowances for Disciplined Services (EDADS)</b>
<p>- to compensate staff for performing duties outside the scope of those normally performed by members of their grades or ranks. They are sub-divided into the following types:</p>	
<p><b><i>EDA (Supplementary Duties: Level 1)</i></b></p> <p>- to compensate staff for taking up additional duties which require some skill or passing a test, for example allowance for staff (other than drivers) who take up driving duties.</p>	<p><b><i>EDADS (General)</i></b></p> <p>- an example is the compensation for staff who are regularly engaged in the use of breathing apparatus in their duties.</p>
<p><b><i>EDA (Supplementary Duties: Level 2) (EDA (SD: L2)) and EDA (Supplementary Duties : Level 2 Variation) (EDA (SD: L2 Variation))</i></b></p> <p>- to compensate staff for taking up additional duties which require specialized skill or passing an advanced test, for example, allowance for staff handling radioactive materials.</p>	<p><b><i>EDADS (Driving) Level 1 and 2</i></b></p> <p>- to compensate staff who have to take up operational driving duties, or to drive specialist vehicles.</p> <p><b><i>EDADS (Diving) Level 1 and 2</i></b></p> <p>- to compensate staff who have passed the relevant Fire Services Department diving courses and are engaged regularly in diving duties.</p>
<p><b><i>EDA (Responsibility)</i></b></p> <p>- payable when staff take up duties at higher ranks but where payment of acting allowance is not appropriate, for example, allowance for staff taking up a non-civil service post involving a higher level of responsibility than that expected of the officer's own rank.</p>	<p><b><i>EDADS (Marine) at various subtypes and levels</i></b></p> <p>- for sea-going disciplined services staff who are required to exercise navigation/engineering skills on a regular basis.</p>

<b>For Civilian Staff</b>	<b>For Disciplined Services Staff</b>
<p><b>2. Hardship Allowance</b></p> <ul style="list-style-type: none"> <li>- to compensate staff for additional hardship which arises from the performance of official duties. It is classified into:</li> </ul> <p><i>Hardship Allowance (Obnoxious Duties)</i></p> <ul style="list-style-type: none"> <li>- for example, for staff handling dead bodies</li> </ul> <p><i>Hardship Allowance (Dangerous Duties)</i></p> <ul style="list-style-type: none"> <li>- for example, allowance for staff exposed to toxic gas when performing their duties</li> </ul> <p><i>Hardship Allowance (Management Considerations)</i></p> <ul style="list-style-type: none"> <li>- for staff experiencing hardship elements other than obnoxious or dangerous duties, for example, Typhoon Allowance for staff who are required to work when typhoon signal No. 8 or above is hoisted.</li> </ul>	<p><b>Not applicable to disciplined services staff</b></p>
<p><b>3. Shift Duty Allowance</b></p> <ul style="list-style-type: none"> <li>- to recompense staff for the inconvenience of working irregular hours without accommodation being provided at or near the place of work.</li> </ul>	<p><b>Not applicable to disciplined services staff</b></p>
<p><b>4. Special Allowance</b></p>	<p><b>2. Special Allowance</b></p>
<ul style="list-style-type: none"> <li>- There are some circumstances which warrant payment of an allowance to staff but which cannot be classified as any one of the above categories. Special allowances have been created to cater for such circumstances. Examples are detective allowance for disciplined services staff performing frequent detective duties and special allowance for civilian staff engaged in fire-fighting in country parks.</li> </ul>	

**Categories of Job-Related Allowances Recommended by  
the Standing Commission**

**1. Extraneous Duties 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 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.
- The extraneousness of such duties is established by Head of Departments against the up-to-date job descriptions for the officers concerned.

**2. Hardship Allowance**

- Granted to officers who are subject 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.

**3. Typhoon/Rainstorm Black Warning Allowances**

- For officers working under specific weather conditions involving the hoisting of typhoon signal No. 8 or above or the rainstorm black warning signal.

**4. Shift Duty Allowance**

- To recompense staff for shift duties not normally expected of staff in the same grade or rank.
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