

**For information on
16 June 2003**

LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

Review of Job-related Allowances for Civilian Grades

Purpose

This paper informs Members of the outcome of the review of the job-related allowances (JRAs) for civilian grades.

Background

2. We informed Members at the last Panel meeting held on 19 May 2003 (LC Paper No. CB(1)1688/02-03(01)) that we had deferred for six months the review period of Hardship Allowance payable for performing duties such as cleansing, drainage/sewer cleaning, waste/blood/dead bodies handling, etc. because of circumstances relating to SARS. The estimated annual expenditure on these allowances is around \$74 million (around 62% of the annual expenditure on JRAs subject to review during the moratorium). We also informed Members that we had substantively completed the review of the remaining JRAs.

Latest Position

3. We have now completed the review on the remaining JRAs subject to review. These allowances comprise Hardship Allowances and Extraneous Duty/Special Allowances with an estimated annual expenditure of about \$22.5 million and \$23.5 million respectively. In reviewing these allowances, we have had regard to relevant factors, including the governing principles of JRAs (**Annex A**), the revised categorisation of JRAs (**Annex B**), the original justifications for the allowances in question, present day circumstances, prudence in the use of public expenditure, departmental management's review recommendations and staff feedback obtained from the staff consultation conducted by departmental management.

4. Certain allowances are considered no longer justified and have been / will be ceased. In coming to the decision, we have had regard to changing circumstances (such as lowered frequency of performance of the duties in question, changes in the mode of operation as a result of which the duties in question are no longer required, the duties in question have become inherent

duties of the grade/rank concerned, and diminution of the hardship element over time, etc). The duties involved include Bacille Calmette Guerin inoculation; operating of electro-encephalograph machines; cash handling; requirement to work in rehabilitation centres, mental institutions and prison institutions, etc. The estimated annual expenditure on these allowances is around \$10.2 million.

5. For the remaining allowances which are justified and will continue to be payable, we have identified areas of improvements, where appropriate, with regard to, for instance, the control mechanism (e.g. tightening of the payment criteria) and redistribution of the concerned duties resulting in more rationalised payment of the allowance in question. The estimated annual expenditure on these allowances is around \$35.9 million and the estimated savings achievable through various improvement measures is \$6.9 million (19.2%). These allowances are payable to compensate for duties-

- (a) which are extraneous to what are normally expected of the grades and ranks concerned, and the discharge of such duties requires extra skill or imposes extra responsibilities (e.g. artisans/workmen undertaking fire fighting duties; teachers assuming the duties of the head or deputy head of schools, officers undertaking driving duties in addition to the normal duties); and
- (b) duties which may render staff liable to bodily harm or physical impairment of a degree not normally expected of the grade and ranks concerned (e.g. handling of explosives, working from a height, performing duties on dangerous slopes, landslide spots, rocky seabed, and roads with heavy traffic, etc).

6. Taken together, of all the allowances reviewed involving an estimated annual expenditure of \$46 million, the full-year estimated savings is around \$17 million (37%). A summary table on the outcome of the review is in **Annex C**.

Implementation

7. Some of the review results have already been implemented during the moratorium period. Other review results will be implemented shortly having regard to the circumstances of the concerned departments, including the lead time required for implementing the review decisions as well as staff feedback.

Way Forward

8. For those JRAs which have been approved for continued payment in the current exercise, they are subject to review within a specified timeframe of not exceeding two years. This serves to ensure that payment of all JRAs is justified and appropriate in the prevailing circumstances.

Civil Service Bureau
June 2003

Principles Governing Job-Related Allowances

Payable to Civilian Grades

- (1) Eligibility for JRAs should be determined by reference to a cut-off point at MPS 33 (i.e. payable up to MPS 33). Members of the administrative and professional grades should not be eligible for JRAs.
- (2) 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.
- (3) 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.
- (4) JRAs should not be paid for changes in duties resulting from the introduction of new technology or improvements in operation methods.
- (5) JRAs should not be paid simply for the acquisition or possession of a skill or qualification. Where an officer is called upon to make use of an extra skill or qualification in the course of his work, consideration should be given to the payment of an allowance only if this happens reasonably often.
- (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 the allowances.
- (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.
- (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.

Annex B

Existing and revised categorisation of job-related allowances for civilian grades which are subject to the 6-month moratorium

Existing Categorisation	Revised Categorisation (Without sub-categories)
<p>(I) Extraneous Duties Allowance:</p> <ul style="list-style-type: none">• Extraneous Duties Allowances (Level 1)• Extraneous Duties Allowances (Level 2)• Extraneous Duties Allowances (Level 2 Variations)• Extraneous Duties Allowances (Responsibilities)	<p>(I) Extraneous Duties Allowance –</p> <p>To compensate for duties which are 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</p>
<p>(II) Hardship Allowance:</p> <ul style="list-style-type: none">• Hardship Allowances (Obnoxious Duties)• Hardship Allowances (Dangerous Duties)• Hardship Allowances (Management Considerations) (this sub-category includes Typhoon Allowance and Rainstorm Black Warning Allowance)	<p>(II) Hardship Allowance –</p> <p>To compensate for duties performed in work environment which may render staff liable to bodily harm or physical impairment of a degree not normally expected of staff in the same grade or rank</p>
<p>(III) Special Allowances:</p> <p>To be payable for exceptional situations which are not specifically covered by the above-mentioned categories.</p>	<p>To be abolished. Allowances grouped under this category before the moratorium to be re-grouped as Extraneous Duties Allowance or Hardship Allowance having regard to the nature of and justification for the allowance concerned.</p>

Outcome of review of job-related allowances for civilian grades

	Examples of duties involved	Grades involved	Estimated annual expenditure (\$million)	Estimated annual savings arising from review (\$million)	Remarks
I. Allowances to cease					
A. Extraneous Duties Allowance/ Special Allowance	Cash handling duties performed by clerical grades, undertaking responsibilities at a higher level for short durations, clinical psychologists working in prison setting, Bacille Calmette Guerin inoculation, operation of electro-cardiogram and electro-encephalograph machines in hospitals, performing minor technical duties at meteorological stations, etc	Clerical Assistant, Clerical Officer, Taxation Officer, Aeronautical Communications Officer, Air Traffic Control Officer, Clinical Psychologist, Recreation and Sport Officer, Inoculator, Enrolled Nurse, Registered Nurse, Property Attendant, Experimental Officer, Laboratory Attendant, Science Laboratory Technician, Scientific Assistant, Estate Assistant, Certificated Master/Mistress, Enrolled Nurse (Psychiatric), Registered Nurse (Psychiatric)	\$3.3	\$3.3	No longer justified for various reasons including : <ul style="list-style-type: none"> - lowered frequency of the extraneous duties in question; - the duties in question have become inherent to the grade/rank concerned; and - changes in mode of operation as a result of which the duties in question are no longer required.
B. Hardship Allowance	Working in prisons, correctional homes, rehabilitation centres, and mental institutions, working long and irregular hours, performing printing duties in a tight security environment, etc	Works Supervisor, Artisan, Senior Artisan, Workman I, Workman II, Hostel Manager/Manageress, Property Attendant, Ward Attendant, Social Work Assistant, Social Work Officer, Welfare Worker, Workshop Instructor, Barber, Clerical Assistant, Clerical Officer, Cook,	\$6.9	\$6.9	No longer justified for various reasons including: <ul style="list-style-type: none"> - the duties in question should no longer be considered as onerous; - the duties should be considered inherent to

	Examples of duties involved	Grades involved	Estimated annual expenditure (\$million)	Estimated annual savings arising from review (\$million)	Remarks
		Craft Apprentice, Dental Surgery Assistant, Dispenser, Enrolled Nurse, Registered Nurse, Ganger, Gardener, Hospital Foreman, Personal Secretary, Supplies Assistant, Supplies Supervisor, Chinese Language Officer, Education Officer, Executive Officer, Lecturer (Non-graduate), Occupational Therapist, Occupational Therapy Assistant, Office Assistant, Telephone Operator, Laboratory Attendant, Chauffeur, Printing Technician			<ul style="list-style-type: none"> - the grade/rank; - the hardship element in question has reduced over time; and - the hardship element has largely been compensated through other means.

II. Allowances which may continue to be paid					
A. Extraneous Duties Allowance/ Special Allowance	Undertaking responsibilities at a higher level (e.g. as head of section, head/deputy head of schools); engagement in special education; performance of video coding duties by Postman, driving vehicles and rescue boat and undertaking firefighting which are not inherent duties of the grades/ranks concerned, etc	Air Traffic Control Officer, Pest Control Officer, Certificated Master/Mistress, Primary School Master/Mistress, Education Officer, Workshop Instructor, Artisan, Senior Artisan, Postman, Field Assistant, Workman I, Workman II, Building Services Inspector, Inspector of Works, Air-conditioning Inspector, Chainman, Cook, Electrical Inspector, Electronics Inspector, Foreman, Forest Guard, Ganger, Hawker Control Officer, Land Inspector, Mechanical Inspector, Meter Reader, Office Assistant, Radio Mechanic, Supplies Assistant, Technical Officer, Waterworks Inspector, Works Supervisor	\$20.2	\$3.8	Improvement measures made, where appropriate, including: <ul style="list-style-type: none"> - tightening of payment criteria; - reducing the allowance rate; and - certain posts are no longer eligible for the allowance
B. Hardship Allowance	Performing duties in dangerous environment (e.g. dangerous slopes, landslide spots, rocky seabed, roads with heavy traffic and working from heights, etc), handling of explosives, frequent contact with dangerous animals etc.	Chainman, Workman I, Workman II, Foreman, Works Supervisor, Artisan, Senior Artisan, Field Assistant, Electrical Inspector, Clerical Assistant, Clerical Officer, Drain Chargeman, Leading Sewerman, Motor Driver, Special Driver, Survey Officer, Launch Master, Amenities Assistant, Electronics Inspector, Police Telecommunications Inspector, Radio Mechanic	\$15.7	\$3.1	
Total			\$46.1	\$17.1	