## Appendix IV

## Task Force on Review of Civil Service Pay Policy and System

## **Terms of Reference**

In the context of the comprehensive review of the pay policy and system for the civil service in respect of civilian and disciplined grades to be conducted by the three Advisory Bodies<sup>\*</sup>,

- (a) to research into the latest developments in civil service pay administration in other governments, analyse their pros and cons and identify best practices that may be of particular relevance to Hong Kong, having regard to the history and development of the civil service pay policy and system in Hong Kong, and focusing on the following aspects –
  - (i) the pay policies, pay system and pay structure commonly adopted;
  - (ii) the experience of replacing fixed pay scales with pay ranges or other pay systems;
  - (iii) the pay adjustment system and mechanism;
  - (iv) the experience of introducing performance-based rewards to better motivate staff; and

<sup>\*</sup> They are the Standing Commission on Civil Service Salaries and Conditions of Service, the Standing Committee on Disciplined Services Salaries and Conditions of Service and the Standing Committee on Directorate Salaries and Conditions of Service.

- (v) the experience on simplification and decentralisation of pay administration including any related management changes;
- (b) to commission a consultant to assist the Task Force on an analytical study on (a) above, and receive the interim and final consultancy reports from the consultant;
- (c) to monitor the progress and provide guidance to the consultant during the consultancy study;
- (d) to conduct a public consultation exercise on the preliminary findings and recommendations of the Task Force, taking account of the views of all interested parties, including the staff sides, departmental/grade management and members of the public;
- (e) in the light of the findings and recommendations, and the views of all interested parties, to recommend the scope, methodology and timing of the comprehensive review to be undertaken in the second phase and the factors which may need to be taken into account; and
- (f) to report to the three Advisory Bodies on the recommended way forward and to take such follow-up action as the Advisory Bodies may direct.