

LEGISLATIVE COUNCIL BRIEF

2021-22 CIVIL SERVICE PAY ADJUSTMENT – DECISION

INTRODUCTION

On 15 June 2021, the Executive Council **ADVISED** and the Chief Executive (CE) **ORDERED** that civil service pay should be adjusted for 2021-22 in accordance with the pay offers made to the staff side of the four central consultative councils¹, viz. the pay for civil servants in the upper, middle and lower salary bands and the directorate be frozen with retrospective effect from 1 April 2021.

2. Independent Commission Against Corruption staff are not civil servants. However, in accordance with the Government's established policy, the annual civil service pay adjustment will also be extended to them.

JUSTIFICATIONS

(A) Staff Side's Response to Pay Offers

3. In accordance with the CE-in-Council's decision made on 8 June 2021, the pay offers set out in paragraph 1 above have been made to the staff side of the four central consultative councils. The staff side's response to the pay offers are at **Annexes A to D**². In gist -

A to D

- (a) some staff side representatives consider the pay offers reasonable. Some, however, maintain that the Pay Trend Survey (PTS) cannot reflect actual market situation, and continue to argue that the payroll cost of increments (PCIs) deduction arrangement should be abolished; and
- (b) some staff side representatives express disappointment in the pay freeze, which they argue is akin to a pay reduction in light of the

¹ The four central consultative councils are the Senior Civil Service Council (SCSC), the Police Force Council, the Disciplined Services Consultative Council and the Model Scale 1 Staff Consultative Council.

² The Association of Expatriate Civil Servants of Hong Kong, one of the three constituent associations of the SCSC, has not provided response to the pay offers.

forecast increase in Composite Consumer Price Index and will affect the livelihood of civil servants, particularly those on the lower salary band. They demand a pay rise to help maintain purchasing power. Some others suggest that the CE-in-Council had not fully considered all the relevant factors under the established mechanism in formulating the pay offers.

(B) The Government's Views

4. Our views on the response of the staff side are set out below –

- (a) the CE-in-Council has taken into account all the relevant factors under the established mechanism in deciding the pay offers. While the cost of living is one of the relevant factors considered, tracking inflation is not the objective of civil service pay adjustment. The established mechanism, properly implemented, will naturally give rise to pay adjustment that could be higher or lower than inflation rate. A pay freeze is a best balance of the relevant factors and an acknowledgement to the civil service for their effort and devotion in the past year;
- (b) civil service remuneration should be regarded as fair by both civil servants and the public they serve by maintaining broad comparability between public and private sector. The annual PTS provides an objective assessment of the year-on-year pay adjustment movement in the private sector and is a key component in assessing comparability. The PTS has built up credibility over the years, and its survey methodology and survey fields are kept under constant review to ensure that it reflects the actual distribution of Hong Kong's economically active population. Suspending the PTS simply because of a fluctuating economy would seriously undermine the integrity of the civil service pay adjustment mechanism; and
- (c) the Committee of Inquiry into the 1988 Civil Service Pay Adjustment and Related Matters considered that, if in-scale increment and merit pay (including exceptional merit pay which should be excluded but cannot be distinguished therefrom) in the private sector were to be included in the PTS, the PCIs should be deducted for fairness. The current situation under which more than half of the 113 surveyed companies in the 2021 PTS still took merit pay into consideration in deciding pay adjustment for their employees, and those that did take special merit pay into consideration were not able to provide a breakdown of salary adjustments attributable to such special merit, show that there are not sufficient justifications to cease the PCIs deduction arrangement. In any case, PCIs have been capped since the 2019-20 civil service pay adjustment to ensure no further erosion of the net pay trend indicators by the rising PCIs.

5. Having considered the staff side's response to the pay offers and after taking into account all relevant factors under the established mechanism, the CE-in-Council has decided that civil service pay for 2021-22 should be adjusted in accordance with the pay offers made.

IMPLICATIONS

6. The Basic Law and economic implications of the decision on the 2021-22 civil service pay adjustment are the same as those set out in the Legislative Council Brief on the pay offers in respect of the 2021-22 civil service pay adjustment issued on 8 June 2021. The decision has no financial, environmental, productivity, sustainability and family implications. There is no gender issue.

PUBLICITY

7. The Secretary for the Civil Service informed the staff side of the decision on the 2021-22 civil service pay adjustment today (15 June 2021). A press release has been issued and a spokesman will be available to answer media enquiries.

ENQUIRIES

8. Enquiries on this brief should be addressed to Mr Leo LI, Principal Assistant Secretary for the Civil Service (Tel: 2810 3112).

Civil Service Bureau
15 June 2021



香港政府華員會

HONG KONG CHINESE CIVIL SERVANTS' ASSOCIATION

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傳真及呈遞

本會檔號：(181) in 2/7/CCSA(XXII)

香港特別行政區政府
公務員事務局局長
聶德權先生

尊敬的聶局長：

2021-22 年度公務員薪酬調整
華員會歡迎行政會議建議全體公務員凍薪

本會歡迎行政會議於 2021 年 6 月 8 日建議全體公務員於 2021/22 年度凍薪；這與本會於 2021 年 5 月 27 日專函閣下，強烈要求全體公務員今年繼續凍薪一致。

在疫情肆虐及疫情防控處於關鍵時刻，本會認為行政會議此凍薪建議為一平衡、平穩之舉，有助公務員隊伍維持士氣，協助政府堅持抗疫；亦有助社會減少爭議、分化，團結一致爭取抗疫早日成功，經濟盡快全面復甦。

會長

謹啟

(利葵燕)

2021 年 6 月 10 日



香港高級公務員協會

Hong Kong Senior Government Officers Association

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公務員事務局局長
聶德權先生, JP

聶局長,

2021-22 年度公務員薪酬調整 - 薪酬調整方案

香港高級公務員協會謹以高級公務員評議會職方成員身份，回覆局長於 2021 年 6 月 8 日來函提出的薪酬調整方案。

2. 正如我們於 2021 年 5 月 27 日提出的薪酬調整要求，本會理解並接納行政長官會同行政會議提出在 2021-22 年度凍結高層、中層及低層薪金級別和首長級公務員薪酬的薪酬調整方案。
3. 由於公務員將會經歷連續兩年薪酬調整被凍結，本會期望來年與局方有更多的溝通，並一起盡快檢討及修訂更能反映市場實況的「薪酬調整機制」。

李方冲

香港高級公務員協會主席 李方冲

2021 年 6 月 10 日

警察評議會職方協會

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協會檔號 OUR REF: CP PER SS C/4-85/2 PT.13

來件編號 YOUR REF: CSBCR/PG/4-085-001/86

10 June 2021

Mr. Patrick NIP Tak-kuen, JP
Secretary for the Civil Service,
9/F., West Wing, Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

Dear Mr. NIP,

2021-22 Civil Service Pay Adjustment

Thank you for your letter under reference CSBCR/PG/4-085-001/86 dated 8 June 2021 informing us of the pay offers made by the Chief-Executive-in-Council (CE-in-Council) to the Staff Side, that the pay for civil servants for 2021-22 would be frozen.

The Police Force Council Staff Side (PFC SS) wishes to express our disappointment that the CE-in-Council appears not to have fully considered the factors mentioned in our pay claim letter of 27 May 2021. We are of the view that pay factors other than the Pay Trend Indicators (PTIs), including the state of Hong Kong's economy, changes in the cost of living, the Government's fiscal position, the pay claims of the staff sides, and civil service morale, are also essential considerations that the Government must take into account when deliberating the annual civil service pay adjustment. A comprehensive review shall also be conducted to reform the current mechanism, with a platform where all relevant pay factors shall be discussed between the Staff Side and the Government.

SUPERINTENDENTS'
ASSOCIATION

警司協會

HONG KONG
POLICE INSPECTORS'
ASSOCIATION

香港警務督察協會

OVERSEAS INSPECTORS'
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海外督察協會

JUNIOR POLICE OFFICERS'
ASSOCIATION

警察員佐級協會

In addition, the PFC SS reiterates our request that the Government shall cease the unfair practice of deducting the payroll costs of increments (PCIs) from the figures of the civil service pay adjustment immediately, and interim measures shall be introduced to mitigate its negative effects. Increments are awards earned through the hard work of our police officers, and these awards should not be taken away from them through this unfair practice.

As mentioned in our pay claim letter, all police officers are standing together with the public during these difficult times to support Hong Kong. Nevertheless, the PFC SS also reiterates that the Government should recognise and appreciate the dedication and sacrifices that our police officers have made in terms of their remuneration during the last two years. It is also hoped that the sacrifices made by police officers would be remembered and rewarded with a significant pay rise in the future, when prosperous times return to Hong Kong as the economy rebounds.

The PFC SS sincerely hopes that the CE-in-Council will consider our response when coming to a final decision on the 2021-22 Civil Service Pay Adjustment.

Yours sincerely,



Percy LEUNG
Chairman
SPA



Wilkie NG
Chairman
HKPIA

Tobi LOTHIAN
Chairman
OIA



Ray LAM
Chairman
JPOA

c.c. Commissioner of Police



紀律部隊評議會(職方)
Disciplined Services Consultative Council
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聶德權先生, JP

聶局長：

2021-22 年度公務員薪酬調整 - 薪酬調整方案

謝謝你於 2021 年 6 月 8 日的來信。紀律部隊評議會(職方)備悉行政長官會同行政會議提出的 2021 至 2022 年度公務員薪酬調整凍薪方案。

職方希望當局在決定公務員薪酬調整方案時全盤考慮香港經濟狀況、生活費用的變動、公務員士氣、職方的薪酬調整要求和政府的財政狀況等因素。職方並促請政府考慮取消在公務員年度增薪百份比中扣減遞增薪額開支的政策，以確保能提供足夠的薪酬以吸引、挽留和激勵有合適才幹的人員在政府工作，為市民提供有效率和成效兼備的服務。

紀律部隊評議會(職方)主席
簡文傑

2021 年 6 月 10 日

政府飛行服務隊機師工會 Government Flying Service Pilots' Union	政府飛行服務隊空勤主任協會 Government Flying Service Air Crewman Officers Association	政府飛行服務隊飛機工程師會 Government Flying Service Aircraft Engineers Association	政府飛行服務隊飛機技術員工會 Government Flying Service Aircraft Technicians Union		
懲教事務職員協會(高級組) Correctional Services Officers' Association (Senior Section)	懲教事務職員協會(初級組) Correctional Services Officers' Association (Junior Section)	香港海關官員協會 Association of Customs & Excise Service Officers	香港海關關員工會 Hong Kong Customs Officers Union	香港消防控制組職員會 Hong Kong Fire Services Control Staff's Union	
香港消防處救護委員會 Hong Kong Fire Services Department Ambulancemen's Union	香港消防處救護主任協會 Hong Kong Fire Services Department Ambulance Officers Association	香港消防主任協會 Hong Kong Fire Services Officers Association	香港消防處職工總會 Hong Kong Fire Services Department Staffs General Association	香港入境事務助理員工會 Hong Kong Immigration Assistants Union	入境事務主任協會 Immigration Service Officers Association

Chinese version only
只附中文版

Annex D
附件 D

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本函檔號: SSMOD/SAL/PAY/5/7/1 Pt.28
來函檔號: CSBCR/PG/4-085-001/86

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2021-22 年度公務員薪酬調整

謝謝你於 2021 年 6 月 8 日的來信。

行政長官會同行政會議於 2021 年 6 月 8 日提出 2021-22 年度公務員薪酬調整方案，當中包括在 2021-22 年度凍結低層薪金級別公務員的薪酬，我們對此感到失望。

根據政府公布的數字，本地生產總值在 2021 年第一季按年實質增長為 7.9%，而 2021 年實質本地生產總值增長預測則介乎 3.5% 至 5.5%，反映本港經濟已經開始復蘇。同時，政府統計處公布的資料顯示，多項主要基本民生消費項目的物價指數在 2021 年 4 月份均錄得按年升幅，反映基層市民在日常生活上的經濟壓力加大。第一標準薪級公務員是基層員工，凍結薪酬會導致他們的購買力被削弱。隨着本地疫情持續受控，本港經濟將進一步復蘇，或會帶動物價繼續上漲。如果薪金沒有相應地調整，基層公務員的生活負擔將會百上加斤。

我們希望政府再次考慮在 2021-22 年度給予低層薪金級別公務員合理的薪酬調整。

以上為第一標準薪級公務員評議會職方意見，香港政府華員會除外。

第一標準薪級公務員評議會

職方主席林進鴻



2021 年 6 月 10 日