For information

# LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

## Development of an improved pay adjustment mechanism for the civil service: Progress update on the pay level survey

## Introduction

The conduct of a pay level survey is part of our ongoing effort to develop an improved pay adjustment mechanism for the civil service. This paper updates Members on the latest progress on the survey.

## Background

2. An important feature of the pay level survey is the carrying out of an in-depth job inspection process by the Phase Two Consultant for the 193 civil service ranks from 61 grades, which have been included in the survey field (civil service benchmark jobs). At the Panel meeting held on 19 December 2005, we informed Members *vide* LC Paper No. CB(1)507/05-06(03) that the Consultant was finalising the approach for conducting the job inspection process in the light of feedback from grade/departmental management, the staff side of the Consultative Group on Civil Service Pay Adjustment Mechanism (Consultative Group) and staff unions/associations.

3. Subsequently, in late December 2005, the Consultant submitted a report detailing the finalised job inspection approach. We uploaded a copy of the report onto the CSB website to keep all parties informed. In the report, the Consultant recommended 1 April 2006 as the reference date of the survey (i.e. the date on which to compare civil service pay with private sector pay). Taking account of the Consultant's advice and the feedback from staff bodies, we accepted the Consultant's recommendation. The relevant details were set out in the Legislative Council Brief entitled "Development of an improved pay adjustment mechanism for the civil service: conduct of the pay level survey" issued on 12 January 2006.

## Latest progress

#### Job inspection process

4. Following the submission of the above-mentioned report, the Consultant has been taking forward the job inspection process at full speed. The relevant work steps involved –

- (a) completion of a job analysis questionnaire for each civil service benchmark job by the grade/departmental management in consultation with Departmental Consultative Committees (DCCs) and staff unions/associations to provide the Consultant with up-to-date job-related information about the benchmark job;
- (b) nomination of post-holder representatives by grade/departmental management in consultation with DCCs and staff unions/associations to participate in the job inspection interviews with the Consultant;
- (c) preparation of one or more job brief(s) for each civil service benchmark job by the Consultant based on the information contained in the job analysis questionnaire to serve as a basis for the collection of supplementary information at the job inspection interviews;
- (d) conduct of job inspection interviews with the post-holder representatives by the Consultant to ascertain the information contained in the job analysis questionnaires and to provide another opportunity for the post-holder representatives to furnish any supplementary information; and
- (e) refinement to the job briefs referred to in item (c) above in the light of the information gathered from the job inspection interviews and circulation of the refined briefs to grade/departmental management, DCCs and staff unions/associations for further comment.

5. With the support of grade/departmental management and the cooperation of staff, the bulk of the work at items (a) to (d) above has now been substantially completed. By way of illustration, the Consultant has prepared a total of some 350 job briefs for the civil service benchmark jobs and conducted some 170 interview sessions involving a total of about 1 100 post-holder representatives. The Consultant is currently undertaking the work at item (e) above. It expects to complete the job inspection process in the next few weeks.

## List of private sector organisations invited to participate in the survey

6. In parallel with the conduct of the job inspection process, the Consultant has drawn up a preliminary list of private sector organisations to be

invited to participate in the current pay level survey in accordance with the selection criteria developed under the Phase One Consultancy. Taking account of the comments received from the staff side of the Consultative Group and other staff bodies, the Consultant has revised the list, which now comprises a total of 208 organisations coming from seven economic sectors.<sup>1</sup>

7. Late last month (May 2006), the Consultant invited the selected private sector organisations to participate in the pay level survey. Depending on their response and having regard to the final outcome of the job inspection process, the Consultant will assess whether and - if so - what other private sector organisations should be approached in order to enlarge the survey field. Before a decision is taken, the staff side of the Consultative Group will be consulted.

## Next steps

8. The information collected through the job inspection process will provide a solid foundation as well as a transparent framework for the Consultant to carry out the subsequent job matching and data collection work. This work will commence after the staff side of the Consultative Group has been consulted on the approach to be adopted. We expect to receive the survey findings from the Consultant later this year, after which we shall consult the staff side on the proposed application of the findings.

## For information

9. Members are invited to note the contents of this paper. We shall continue to ensure that the pay level survey is conducted in a professional and transparent manner while taking full account of staff views in the process. We shall also keep Members informed as we take forward the exercise to develop an improved civil service pay adjustment mechanism.

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<sup>&</sup>lt;sup>1</sup> The seven economic sectors are Community, Social and Personal Services; Construction; Financing, Insurance, Real Estate and Business Services; Hotels and Restaurants; Manufacturing; Transport, Storage, Communication and Utility; and Wholesale, Retail and Import/Export.