[omitted]@[omitted] gov.hk <[omitted]@[omitted].gov.hk>

Fri, Oct 9, 2015 at 6:47 PM

To: [omitted] Cc: [omitted]

Dear Professor Holz,

I am writing in response to your email of 28 September 2015 and would like to provide you with some information about Hong Kong's civil service pay system and the annual pay adjustment mechanism.

2. By way of background, there are 11 civil service pay scales, each with numerous pay points (the 11 pay scales can be found at <a href="http://www.csb.gov.hk/english/admin/pay/952.html">http://www.csb.gov.hk/english/admin/pay/952.html</a>). Civil servants are remunerated on a prescribed range of pay points on one of the 11 pay scales based on their grades and ranks. For example, there are altogether 50 pay points on the Master Pay Scale (MPS). A Social Security Officer (SSO) in the Government is remunerated on the prescribed range of pay points for his/her rank —

Pay Scale of the SSO Grade

Rank	Pay Scale	Salary Band	Monthly Salary (with effect from 1 April 2015)
SSO II	MPS 10-27	Middle	\$20,305 - \$47,235
SSO I	MPS 28-33	Middle	\$49,465 - \$62,235
Senior SSO	MPS 34-44	Upper	\$63,095 - \$95,215
Chief SSO	MPS 45-49	Upper	\$101,620 - \$117,080

- 3. A newly-recruited SSO is remunerated on MPS point 10 (i.e. the first point of the first rank (i.e. SSO II rank) of the SSO grade). There are two possible ways for the new recruit to move upward in the pay scales –
- (a) subject to satisfactory performance, the SSO may be given one increment each year until he/she reaches the highest pay point of the pay scale of his/her rank (i.e. the newly-recruited SSO will move from MPS point 10 to point 11 upon one year of satisfactory service. He/she can continue to move upward the pay scale until he/she reaches the maximum pay point of MPS point 27); and
- (b) upon promotion, the SSO will advance to the pay scale of the next higher rank. For example, a SSO II originally remunerated on MPS points 10 to 27 will advance to MPS point 28 upon promotion to the SSO I rank. He/she can then move upward along the pay scale of the SSO I rank with the annual increment given to him/her subject to his/her satisfactory performance (i.e. the increment system set out in point (a) above).
- 4. Each year, the Executive Council considers the annual civil service pay adjustment. As you are aware, in 2015-16, the Executive Council decided that the pay for

the upper salary band would be increased by 3.96%, whereas that for the middle and lower salary bands would be increased by 4.62%. The adjustments are applicable to the money values of the respective pay points on the 11 pay scales, i.e. the money values of all pay points falling in the upper salary band (e.g. points 34 and above on the MPS) will be adjusted upward by 3.96%, whereas those of the pay points falling in the middle and lower salary bands (e.g. points 0 to 33 on the MPS) will be adjusted upward by 4.62%.

- 5. As all civil servants are remunerated on a particular pay point on one of the 11 pay scales, their salaries will be adjusted following the adjustment of the money values of their pay points. For example, a SSO II remunerated on MPS point 27 (a pay point in the middle salary band) could enjoy a salary increase of 4.62% from \$45,150 to \$47,235 following the 2015-16 Civil Service Pay Adjustment.
- 6. Meanwhile, civil servants not yet on the maximum pay points of their pay scales are eligible for the annual increment upon satisfactory performance (as explained in point (a) under paragraph 3 above). Some civil servants may also be promoted and advance to the pay scale of the next higher rank during the year (as explained in point (b) under paragraph 3 above). The actual salary increase they enjoy during the year will then be more than the annual pay adjustment rates for their salary bands (i.e. 3.96% for the upper salary band and 4.62% for the middle and lower salary bands). This can be attributed to their satisfactory performance and efforts which earn them the annual increment or the promotion opportunity.
- 7. Thank you once again for your interest in the civil service matters. We hope that you would find the above information useful.

Name, position/office [omitted]

----- Forwarded by [omitted] Enquiry/[omitted]/HKSARG on 29.09.2015 10:57 -----

From: "Carsten A. Holz" [omitted]

To: [omitted]

Date: 28.09.2015 18:51

Subject: Civil servant pay increase 2015

Sent by: [CH; omitted]

Hi.

I am a professor at the Hong Kong University of Science & Technology and read with interest your press release of 9 June 2015, re civil servant pay increases (http://www.info.gov.hk/gia/general/201506/09/P201506090515.htm).

(1) Could you please let me know if this pay increase applies across the board, i.e., does everyone in the upper salary band equally receive a 3.96% salary increase?

Or isl this the average increase for this salary band, and the specific salary of each individual in this salary band may go up or down by any percentage (as long as the average of the whole salary band goes up by 3.96%)?

(2) If the salary of each individual in this salary band were to increase equally by 3.96%: do some civil servants within this salary band potentially receive additional salary increases, for example, if they are promoted to a higher position within this salary band?

Thank you, Carsten Holz Professor, Social Science Division HKUST