

Pay Trend Survey Committee Meeting on May 27, 2020

The following is issued on behalf of the Pay Trend Survey Committee:

The Pay Trend Survey Committee (the Committee) met today (May 27) to consider the findings of the 2020 Pay Trend Survey.

The survey findings indicate that the following average pay adjustments have been awarded by the surveyed companies over the 12-month period from April 2, 2019, to April 1, 2020:

| | Basic Pay Indicator | + | Additional Pay Indicator | = | Gross Pay Trend Indicator |
|---|---------------------|---|--------------------------|---|---------------------------|
| Lower Salary Band (below \$24,070 per month) | 3.53% | + | -1.22% | = | 2.31% |
| Middle Salary Band (\$24,070 – \$73,775 per month) | 4.19% | + | -1.18% | = | 3.01% |
| Upper Salary Band (\$73,776 – \$147,235 per month) | 3.67% | + | -0.95% | = | 2.72% |

The 2020 Pay Trend Survey was conducted by the Pay Survey and Research Unit of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service, based on an improved methodology as approved by the Chief Executive-in-Council in March 2007.

The survey results reflect the pay trend in 107 companies covering 146 434 employees over the 12-month period from April 2, 2019, to April 1, 2020. The survey takes into account adjustments to basic salary and additional payments awarded to employees of the surveyed companies attributable to factors in relation to the cost of living, general prosperity and company performance, general changes in market rates, merit and inscale increment, in accordance with the improved survey methodology.

A breakdown of the 107 companies by size is as follows:

| | |
|--|------------------|
| | No. of Companies |
|--|------------------|

| | |
|---|------------|
| Larger companies (employing 100 or more staff) | 80 (74.8%) |
| Smaller companies (employing 50 – 99 staff) | 27 (25.2%) |
| Total : | 107 (100%) |

The distribution of the 146 434 employees by the three salary bands is as follows:

| | No. of Employees |
|---|------------------|
| Lower Salary Band (below \$24,070 per month) | 69 166 (47%) |
| Middle Salary Band (\$24,070 – \$73,775 per month) | 65 946 (45%) |
| Upper Salary Band (\$73,776 – \$147,235 per month) | 11 322 (8%) |
| Total : | 146 434 (100%) |

The Committee met on May 27, 2020, to verify and consider the 2020 Pay Trend Survey Report. The two representatives of the Standing Commission on Civil Service Salaries and Conditions of Service, the representative of the Standing Committee on Disciplined Services Salaries and Conditions of Service, the two representatives of the Civil Service Bureau, the Secretary General of the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service, the three Staff Side representatives of the Model Scale 1 Staff Consultative Council, the two Staff Side representatives of the Senior Civil Service Council and the two Staff Side representatives of the Police Force Council validated the survey findings.

The meeting was chaired by Mr Lee Luen-fai, Chairman of the Pay Trend Survey Committee. Mr Lee is a member of the Standing Commission on Civil Service Salaries and Conditions of Service.

Mr Lee said, "The 2020 Pay Trend Survey was conducted in accordance with the agreed methodology and in a professional and objective manner. The Pay Trend Survey Committee will submit the Committee Report to the Government for consideration.

"The relevant pay trend indicators are the result of a survey of the pay trend in companies of the private sector. Civil service pay adjustment is, however, a separate matter. I understand that in accordance with the established practice, the Chief Executive-in-Council will take into account the pay trend indicators derived from the Pay Trend Survey and other pertinent considerations before making a decision on the 2020-21 civil service pay adjustment," Mr Lee added.

Mr Lee wishes to express the Committee's sincere appreciation for the co-operation and assistance rendered by the companies to the Pay Survey and

Research Unit.