



本署檔 Our Ref.: (23) in SWD/S/104/2 Pt.4
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16 July 2008

Chairperson of Subvented
Non-governmental organisation (NGO)

Dear Sir/Madam,

2008-09 Civil Service Pay Adjustments

The Finance Committee of the Legislative Council has, on 14 July 2008, approved to implement the 2008-09 civil service pay adjustments, in which there will be an increase of 6.30% for directorate officers and officers in the upper salary band (i.e. monthly salary above Master Pay Scale 33 or equivalent) and 5.29% for those in the middle and lower salary bands (i.e. monthly salary at or below MPS 33 or equivalent) with retrospective effect from 1 April 2008. In this regard, I would like to inform you that corresponding adjustments to the subvention amounts of subvented NGOs will be made to reflect such increase.

The Department will adjust the subvention amounts to both NGOs on Lump Sum Grant subvention mode (LSG NGOs) and conventional subvention mode (conventional mode NGOs) along the established practice. For LSG NGOs, the additional amounts of subventions will be calculated in accordance with a rate for individual NGO applied to its Personal Emoluments (PE) portion adjustment. The NGO rate is the weighted average of the pay adjustment effect for the different pay bands of staff calculated for each NGO based on its staff structure at the snapshot. For conventional mode NGOs, we will adjust their subvention allocation according to the 2008-09 civil service pay adjustments.

Funding allocation items under the impact of 2008-09 civil service pay adjustments on subventions allocations is at **Annex I**. The revised Directorate Pay Scale, Master Pay Scale and Model One Pay Scale of the civil service are at **Annex II**. For LSG NGOs, this is solely for your reference only as under the LSG arrangement, NGOs have autonomy to determine remuneration matters for their staff.

We aim to release payment of the additional allocation for the months from April to September to individual NGOs in September 2008 and further additional subventions for subsequent months will be included in the usual monthly/quarterly payment of subventions.



I would like to stress that the additional amounts of subventions as a result of 2008-09 civil service pay adjustments are meant for pay adjustment for subvented staff of subvented organisations. We expect that they will be spent for the purpose of adjusting the pay of your staff.

If you have any enquiries, please contact the SWD Agency Officer designated to your organisation.

Yours sincerely,

(Ms Lily Ng)
for Director of Social Welfare

c.c. Chief Executive Officer/Director of NGOs

Impact of 2008-09 Civil Service Pay Adjustments
on Subventions Allocations

(A) Welfare subventions with PE-portions to be adjusted with reference to civil service pay adjustments :

- (1) Lump Sum Grant (LSG) (including subventions allocated for new units)
- (2) Oldlumpsummode
- (3) Modified standard cost
- (4) Modelcost
- (5) Unit rates subsidy

(B) Welfare subventions (normally specified Central Items) **NOT** to be adjusted with reference to the civil service pay adjustments :

- (1) Dementia supplement for elderly with disabilities
- (2) Infirmary care supplement for the aged blind persons
- (3) Dementia supplement for residential elderly **services**
- (4) Infirmary care supplement for residential elderly services
- (5) Foster care allowance
- (6) Temporary Financial Assistance
- (7) Emergency Fund
- (8) Visiting Medical Practitioner Scheme
- (9) Kindergarten and Child Care Centre Subsidy Scheme (KCSS)

For dementia supplement for elderly with disabilities, **infirmary** care supplement for the aged blind persons, dementia supplement for residential elderly services and infirmary care supplement for residential elderly services [items (1) to (4)], NGOs may use the surplus arising **from** the 2008-09 allocations for the supplements first until its exhaustion and then the LSG Reserve to pay the salary adjustments of staff funded by the supplements. The Social Welfare Department (SWD) will not provide the shortfall in case surplus arising **from** the allocations for the supplements and LSG Reserve are not sufficient to cover the salary adjustment of the relevant staff.

(C) Allocations for Programme Workers whose pay is not pegged with the Civil Service Salary Scale is not to be adjusted with reference to the civil service pay adjustments.

(D) **Allocations for Programme Assistants/Care Assistants whose pay is not pegged with the Civil Service Salary Scale is not to be adjusted with reference to the civil service pay adjustments.** However, NGOs may consider to increase the salaries of the posts by not more than 5.29% (which is the composite rate for the middle / lower bands in the 2008-09 civil service pay adjustments). They may use the surplus arising from the 2008-09 allocations for the posts first until its exhaustion and then the LSG Reserve to pay the salary adjustments as stipulated above. The SWD will not provide the shortfall in case surplus arising from the allocations for the posts and LSG Reserve are not sufficient to cover the salary adjustment of the above posts allocated to your organization.

(E) **Allocations / Payments outside of subventions NOT to be adjusted with reference to the civil service pay adjustments:**

- (1) Enhanced Home & Community Care Service
- (2) Contract homes on competitive bidding
- (3) Enhanced Bought Place Scheme
- (4) After school care programme (Central Item)
- (5) Time-defined Subsidy Scheme for Extended Hours Child Care Service (Central Item)

(F) **Principles for upward adjustments to welfare subventions allocation with PE-portions to be adjusted with reference to civil service pay increase**

- (1) The subventions allocation made to LSG agencies for 2008-09 will be adjusted upward from 1 April 2008 in light of civil service pay increase, i.e.
 - the PE portion of the subventions which is at 2007-08 price level is subject to corresponding adjustment;
 - the PE portion includes salaries, PE allowances and Provident Fund contributions; and
 - the increase of subventions will be based on the similar formulae and methodology as those adopted in adjusting the 2007-08 subventions allocation to NGOs to reflect the 2007-08 civil service pay adjustments.
- (2) For subventions allocation to the following NGOs/service, the composite rate of 5.29% for the middle / lower bands is adopted for adjustment of the PE portion of the allocation with effect from 1 April 2008:
 - NGOs started receiving SWD's subventions after 1 April 2000; old lump sum mode services in NGOs operating under conventional

subventions modes; and

- new services commenced after 1 April 2000 subvented under Lump Sum Grant in NGOs operating under conventional subventions modes.

(G) Case Illustration

(1) For LSG subventions

			Increase (\$)
(a) Total of Salaries, PE Allowances and PF of 6.8% Posts included in the LSG for 2008-09 x NGO Rate ^{note 1}			X
(b) PF entitlement of Existing Staff for 2008-09 according to the revised pay scales relevant to them	Y1		
Less: Original PF subventions of Existing Staff included in LSG for 2008-09	Y2		
	Y1 - Y2	-	Y
Total subventions increase (X+Y)		-	Z

(2) For welfare subventions allocation other than LSG ^{note 2}

			Increase (\$)
PE subvention for 2008-09 according to the revised pay scale			X
Less : Original PE subventions for 2008-09			Y
Increase (X - Y)	=		Z

Note 1:

NGO rate is the weighted average of the pay increase effect for the different pay bands of staff calculated for each NGO based on its staffing structure at the snapshot.

Note 2:

For old lump sum mode, additional subventions will be provided according to each NGO's requirement in response to SWD's letter dated 15 July 2008 [Ref. (18) in SWD/S/104/2] for the supplementary provision to cover the cost of pay adjustment for staff, subject to the 5.29% cap on the PE portion.

The Revised Civil Service Pay Scales

Directorate Pay Scale

Point	(As at 31.3.08) \$	(w.e.f. 1.4.08) \$
10	227,400	241,750
9	214,950	228,500
8	190,050	202,000
7	184,300	195,900
6	170,700	181,450
5	161,800	172,000
	(157,000)	(166,900)
4	152,350	161,950
	(142,250)	(151,200)
	(138,250)	(146,950)
3	134,250	142,700
	(122,600)	(130,300)
	(119,000)	(126,500)
2	115,450	122,700
	(103,200)	(109,700)
	(100,100)	(106,400)
1	97,250	103,400

Note: Figures in brackets represent increments.

The Revised Civil Service Pay Scales

Master Pay Scale

Point	(as at 313.08) \$	(w.e.f. 1.4.08) \$
49	87,225	92,720
48	84,200	89,505
47	81,275	86,395
46 (44B)	78,430	83,370
45 (44A)	75,715	80,485
44	73,070	77,675
43	70,525	74,970
42	67,620	71,880
41	64,830	68,915
40	62,145	66,060
39	59,580	63,335
38	56,945	60,535
37	54,445	57,875
36 (33C)	51,990	55,265
35 (33B)	49,685	52,815
34 (33A)	47,485	50,475
33	45,970	48,400
32	43,905	46,230
31	41,935	44,155
30	40,055	42,175
29	38,265	40,290
28	36,535	38,470
27	34,895	36,740
26	33,330	35,095
25	31,835	33,520
24	30,445	32,055
23	29,075	30,615
22	27,765	29,235
21	26,510	27,910
20	25,250	26,585
19	24,050	25,320
18	22,910	24,120
17	21,830	22,985
16	20,780	21,880
15	19,790	20,835
14	18,840	19,835
13	17,935	18,885
12	16,910	17,805

The Revised Civil Service Pay Scales

Master Pay Scale

Point	(as at 31.3.08) S	(w.e.f. 1.4.08) S
11	15,920	16,760
10	14,990	15,785
9	14,140	14,890
8	13,280	13,985
7	12,460	13,120
6	11,690	12,310
5	10,995	11,580
4	10,300	10,845
3	9,675	10,190
2	9,080	9,565
1	8,530	8,985
0	8,030	8,455

The Revised Civil Service Pay Scales

Model Scale 1 Pay Scale

Point	(as at 31.3.08) \$	(w.e.f. 1.4.08) \$
13	11,110	11,700
12	10,890	11,470
11	10,665	11,230
10	10,460	11,015
9	10,255	10,800
8	10,060	10,595
7	9,870	10,395
6	9,675	10,190
5	9,480	9,985
4	9,290	9,785
3	9,095	9,580
2	8,900	9,375
1	8,710	9,175
0	8,525	8,980