

S.C. 12/2012

**Minutes of the 42nd Meeting of the
Staffing Committee held at 2:30p.m.
on Tuesday, 10 July 2012 in the Board Room,
2nd floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

Present : Chairman - Dr. Elizabeth Shing Shiu-ching, BBS, JP

Members - Miss Lam Kam-yi
Mr. Leung Yam-shing
Mrs. Agnes Mak Tang Pik-yee, MH, JP
Prof. Helen Meng Mei-ling
Mrs. Katherine Ngan Ng Yu-ying, JP
Mr. Sin Kai-ming, MH
Ms. Marilyn Tang Yin-lee
Mr. Johann Wong

Absent with Apologies: Mr. Andrew Mak Yip-shing, JP

In Attendance from ITC: Mr. Ting Lup-wong

In Attendance from HKPC:

Mr. Tony Lam	Director, Corporate Services
Mr. Leo Lam	Director, Business Innovation
Mr. Jonathan Ho	General Manager, Corporate Communications
Mr. Dennis Wu	General Manager, Corporate Human Resources & Administration
Mr. Alfonso Tam	Chief Manager, Council Secretariat
Ms. Miranda Yeap	Senior Manager, Council Secretariat

Welcome

The Chairman welcomed Mr. Johann Wong, Deputy Commissioner of Innovation and Technology and Mr. Leo Lam, Director, Business Innovation, HKPC who attended the meeting for the first time.

Confirmation of Minutes (S.C. 5/2012)

The Minutes of the 41st Staffing Committee Meeting held on 6 March 2012

had been circulated to Members and there were no requests for amendments. The Minutes were taken as read, confirmed and signed by the Chairman.

I. Matters Arising

1. reported that Members had noted or approved the following matters by circulation of papers since the 41st Staffing Committee Meeting held on 6 March 2012:

Job Postings to WFOEs

(a) Members noted via paper S.C. 4/2012 circulated on 22 March 2012 the need to arrange HKPC employees for job posting to the WFOEs to fill senior vacancies on a full time basis to manage and develop the business of WFOEs in line with HKPC's strategic development in the Mainland; and

Recruitment and Appointment of General Manager, Automotive and Electronics (GMAE)

(b) Members noted (via paper S.C. 6/2012 circulated on 8 May 2012) the recruitment arrangement for the post of GMAE for which the incumbent, Mr. Leung Wai-ming, Frank, would retire on 1 August 2012. Members approved on 26 June 2012 (via paper S.C. 7/2012 circulated on 19 June 2012) the appointment of Mr. Cheung Chi-chong, Lawrence to the post of GMAE with effect from 1 August 2012.

II. 2012/13 Pay Review (S.C. 8/2012)

2. Invited by the Chairman to report, said that the 2012/13 pay adjustment for staff under the Non Performance Pay System (Non-PPS) would follow the same principle of the Civil Service, namely an increase of 5.26% for the top and senior level staff and 5.8% for the middle and general level staff. As regards the PPS staff, they would be entitled to pay adjustment that reflected the market trend by reference to the pay trend surveys available in the market as well as the pay trend review of the Civil Service. The same mechanism adopted since the introduction of the PPS was applied for calculating the weighted average of salary adjustment for 2012 based on the actual pay adjustment data in the surveys. Based on this, the proposed pay adjustment for PPS staff would be an increase of 4.76%, 4.87%, 5.13% and 5.11% for the top, senior, middle and general level staff respectively. said that based on the current salary outlay of all staff, the cost arising from the proposed pay adjustment for staff under the PPS and the Civil Service pay trend for the remaining staff was estimated to be HK\$9.9M and HK\$3.5M per annum respectively.

3. In reply to _____, _____ said that staff were fully briefed when the PPS was introduced that annual pay adjustment for PPS staff would be based on four market survey reports and the pay trend review of the Civil Service. While the pay surveys were representative market reports, the Management had plans to conduct a review of the choice and mix of pay survey reports available in the market. The Staffing Committee and Council would be consulted on any changes proposed.

4. In reply to _____, _____ said that while the pay adjustments for PPS staff were marginally lower than those for the Non-PPS staff, the total take home pay of PPS staff should still be slightly better taking account of the award of performance linked variable pay (VP) for them. In reply to _____, _____ said that both the Staffing Committee and Council had previously agreed that HKPC should eventually implement a market oriented and performance base award system for all staff. But meanwhile, both the PPS and Non-PPS had to be maintained until all Non-PPS staff retired or left the employment of HKPC.

5. Members endorsed for Council's approval the proposed 2012/13 pay adjustments for PPS and Non-PPS staff as outlined in paragraphs 4 and 5 of paper S.C. 8/2012 with retrospective effect from 1 April 2012.

IV. Transfer of Staff from Automotive Parts and Accessory Systems R&D Centre (APAS) (S.C. 10/2012)

12. Invited by the Chairman to report, _____ introduced paper S.C. 10/2012 and said that at its 118th meeting held on 22 November 2011, Council agreed to the merger of APAS with HKPC and the transfer arrangements for the APAS staff upon merger. Council then subsequently agreed at its 119th meeting held on 27 March 2012 that upon termination of the employment contracts with APAS, full time staff of APAS would be offered new employment contracts to join HKPC as new staff on prevailing HKPC contract terms. Their previous

years of service in APAS would not be counted in the new employment with HKPC which would follow HKPC's HR policies and practices. Redeployment of APAS staff to other divisions of HKPC and posting of HKPC staff to the new APAS Division would not be considered at the initial stage.

13. said that, to implement the transfer of APAS staff to HKPC upon merger, HKPC proposed to make the following arrangements:

- (a) contract term of about 2.5 years up to 31 March 2015 (save for project staff and interns whose contracts would tie to their original contract end-dates) and there would be no need to go through a recruitment process; and
- (b) job ranks and remuneration package comparable to their current employment terms with APAS and essentially the same as those of HKPC staff at similar ranks under the prevailing framework, with key benefit items as follows:
 - i) annual salary review and adjustment with pay trend, merit increment and one-off discretionary variable pay where applicable (except for interns);
 - ii) medical benefits, including outpatient, hospitalization, maternity hospitalization and dental; and
 - iii) leave, including annual leave, sick leave, maternity leave, paternity leave, etc.

14. After discussion, Members endorsed the following for Council's approval:

- (a) the employment terms in respect of the APAS staff mentioned in paragraph 13 above; and
- (b) empowering the Executive Director of HKPC with a discretion to exercise flexibility on specific arrangements for certain terms within the existing system of terms and conditions, e.g. maternity benefit for any pregnancy cases reported before transfer to HKPC.

In response to comments from , also assured Members that the discretion so exercised would take into account staff's pertinent circumstances.

V. Staffing Position of HKPC (S.C. 11/2012)

15. Members noted the staffing position of HKPC, including the movement of senior staff, as at 31 May 2012 outlined in paper S.C. 11/2012.

16. In response to the enquiry of _____ with regard to the unfilled posts at the Consultant and Project Officer ranks, _____ said that HKPC was losing its consultants and, to a lesser degree, project officers to industry continuously, frequently recruited by our clients after completion of consultancy projects for them. Looking at this positively, we were training professionals for Hong Kong's industries. But at the same time there was a real need for HKPC to retain talents. The Management had taken steps to enhance our HR management and positions left vacant by departing staff would not be filled unless supported by solid justifications primarily relating to present and future business needs. This would help towards creating room for upward movement by performing staff at lower ranks who now frequently possessed the required academic qualifications to support their career advancement within the organization. To this end, talent development support would be provided as appropriate to staff. Separately, quarterly promotion boards had been introduced so that cases of capable staff identified for promotion would be considered as soon as practicable. But ultimately, being a public body, HKPC's competitiveness as an employer would always suffer in an active HR market. In this regard, we were considering the usefulness of reviewing the existing staff grading structure to create extra room for upward career movement for capable staff, for example, creating 2 grades within the consultant rank to motivate and retain staff.

VI. Any Other Business

(A) Attendance Record of SC Members

17. Members noted their attendance record in 2012 tabled at the meeting.

VII. Date of Next Meeting

18. It was agreed that the next meeting would be held on 6 November 2012 at 2:30pm.

19. There being no other business, the Chairman thanked Members for their attendance and the meeting was adjourned at 3:30p.m.