

(Unclassified version with commercially sensitive or confidential information and Members' names removed)

S.C. 12/2011 (Revised)

**Revised Minutes of the 39th Meeting of the
Staffing Committee held at 4:00p.m.
on Monday, 11 July 2011 in Conference Room 1,
2nd floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

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

Members - Mr. Choi Kam-wah, MH
Mr. Davey Chung
Dr. Fan Cheuk-hung
Mr. Leung Yam-shing
Mrs. Agnes Mak Tang Pik-yee, MH, JP
Prof. Helen Meng Mei-ling
Mr. Poon Siu-ping, MH
Ms. Marilyn Tang Yin-lee

Absent with Apologies: Mr. Andrew Mak Yip-shing

In Attendance: HKPC Chairman - Mr. Clement Chen, BBS, JP

In Attendance from HKPC:

Mr. Edmund Sung	Director, Business Consulting
Mr. Tony Lam	Director, Corporate Services
Mr. Joseph Poon	Director, Technology Development
Mr. Jonathan Ho	General Manager, Corporate Communications
Mr. Dennis Wu	General Manager, Corporate Human Resources
Mr. Alfonso Tam	Principal Consultant, Council Secretariat
Ms. Miranda Yeap	Senior Consultant, Council Secretariat

Welcome

The Chairman welcomed Prof. Helen Meng Mei-ling and Mr. Dennis Wu Kwok-kwong, General Manager, Corporate Human Resources, HKPC who attended the meeting for the first time.

Confirmation of Minutes (S.C. 6/2011 Revised)

The Revised Minutes of the 38th Staffing Committee Meeting held on 8 March 2011 had been circulated to Members and there were no further requests for amendments. The Minutes were taken as read, confirmed and signed by the Chairman.

II. 2011/12 Pay Review (S.C. 9/2011)

2. introduced the paper and said that at the 106th Council Meeting held in November 2007, Members agreed to introduce the Performance Pay System (PPS) to all staff for their choice by 31 December 2008. As at 30 June 2011, 445 staff (74.7%) were under the PPS. They would be entitled to pay adjustment reflecting the market trend by reference to pay trend surveys available in the market and the pay trend adjustment of the Civil Service:

- (a) Pay Trend Update (January 2011), published by Towers Watson Hong Kong Limited;
- (b) HKIHRM Pay Trend Survey (January 2011), published by the Hong Kong Institute of Human Resources Management;
- (c) 2010 HKSAR Pay Level Survey, published by the Hong Kong People Management Association (PMA);
- (d) Pay Review Survey (January 2011), published by the Employers' Federation of Hong Kong; and
- (e) 2011/12 Civil Service Pay Adjustment.

Based on the actual pay adjustment data in the surveys, the following weighted average rates of salary adjustment for PPS staff with effect from 1 April 2011 were proposed:

Top Level (Directorate AP or above)	+5.40%
Senior Level (HKPC Pay Scale: 103P – 148P)	+5.34%
Middle Level (HKPC Pay Scale: 31P – 102P)	+4.86%
General Level (HKPC Pay Scale: 1P – 30P)	+4.67%

3. As regards Non-PPS staff, said that salary adjustment followed the Civil Service Pay Adjustment as approved by the Legislative Council on 8 July 2011. It was therefore proposed to adopt an upward salary adjustment with effect from 1 April 2011 for the general and middle level staff at 6.16% and for the senior and top level staff at 7.24%.

4. said that based on the current salary outlay for all staff, the cost of effecting the proposed pay adjustment for staff under the PPS and the Civil Service pay trend for the remaining staff was estimated to be HK\$9.2M and HK\$4.1M per annum respectively, while another \$4.6M was estimated to be required for merit increment.

5. said that Members endorsed for Council's approval the proposed 2011/12 pay trend adjustment for staff under the PPS and the Civil Service Pay Trend at the rates as set out in paragraphs 4 - 5 of the paper S.C. 9/2011 which would take retrospective effect from 1 April 2011.

III. Staffing Position of HKPC (S.C. 11/2011)

6. Invited by the Chairman to report, said that as at 30 June 2011, the number of staff in post was 636 against the total approved establishment of 711, representing an increase of 4.8% in the total staff number when compared with a year ago. HKPC's overall staff turnover rate for 2010/11 was 12.3%. For the first quarter (Q1) of 2011/12, an overall staff turnover rate at 2.5% was recorded. According to exit interviews, most leavers in Q1 of 2011/12 quoted either "remuneration/career advancement" or "job nature/ work issues" as their reasons for departure.

7. Continuing, reported the following senior staff movement:

(a) Since Mr. Au Ming-piu, the then General Manager, Human Resources and Administration, took up the position of General Manager, Innovation & IP on 1 February 2010, he, in his capacity as DCS, had been overseeing the operation of the Corporate HR Division. In order to enhance the HR services and strengthen manpower resources in both Hong Kong and WFOEs, Mr. Dennis Wu Kwok-kwong was appointed as General Manager, Corporate HR on 7 June 2011.

(b) Following Mr. Yung Kai-tai's retirement in May 2011, an open recruitment exercise was conducted to seek a replacement to head the IT Industry Development Division and be accountable for the

Council's IT business development and internal IT support service. Mr. Gordon Lo Siu-chung was appointed to fill the vacant post on 20 June 2011. Mr. Lo joined HKPC in November 1997 as Principal Consultant and had been serving in the Division since then.

8. said that given the number of posts under recruitment, the Management should ensure that staff would not be overloaded with extra work. In response, assured that resource planning was actively and continuously pursued by the General Managers to meet their operation needs, including collaboration with strategic partners to deliver services for industries. said that staffing was a moving exercise to meet changing and evolving HR needs and pointed out that there had been a healthy 4.8% growth in the number of HKPC staff over the past year.

9. said that with regard to the delivery of ITF projects, an exceptional arrangement was in place allowing HKPC to charge the cost of its staff on these projects up to the Senior Consultant level. However, there was no restriction that HKPC must deliver ITF projects by its existing staff and the option of hiring additional project staff would allow some degree of flexibility towards relieving staff pressure as appropriate and as required.

10. Members noted the staffing position of HKPC for 2010/11 and Q1 of 2011/12.

IV. Any Other Business

(B) Attendance Record

13. Members noted their attendance record in 2011 tabled at the meeting.

V. Date of Next Meeting

14. It was agreed that the next meeting would be held on 25 October 2011 at 2:30pm.