

Open Letter to Staff and Students of the University

Dear colleagues and students,

[1] You are certainly aware of the colossal funding cut to be borne by our University. I fully understand your concerns, doubts, and anxiety — some over the possibility of large salary cuts, others over unemployment if jobs are to be outsourced. For one who has spent the last 30 odd years at The Chinese University, I myself have never felt so burdened.

Over the past three months, University management has conducted extensive consultations through a variety of channels and held discussions with both teaching and non-teaching units over proposals to cope with the impending budget cut. Throughout the period we have also maintained close liaison with the two staff associations (CUTA and CUSA) to work on plans to reduce staffing costs. Very careful and serious consideration has been given to all the suggestions put forward by the two staff unions, and those that are reasonable, practicable, and consonant with the interest of the University have been adopted one after another. The proposals therefore represent the general consensus reached with the two staff associations in a spirit of facing the difficulties together. They are designed to serve the interests of both the University and those working in it, and are geared towards two primary objectives:

- (i) to preserve as much as possible the University's strengths in teaching and research, so that its development can be sustained;
- (ii) to retain as many jobs as possible for staff, so that their livelihood will not be affected.

The proposals have now been approved by the University Council and we are now in the implementation phase. Implementation details will be explained to you via your department and unit heads and other channels.

[2] Notwithstanding the numerous consultation sessions, open forums, and meetings organized by the Personnel Office and the Bursary to explain University policies and to communicate with staff members individually or in groups, there are still various misunderstandings about the University's cost-saving measures. There are even deliberate misrepresentations and unsubstantiated accusations, alleging that the measures adopted are divisive, favouring the senior grades at the expense of the junior grades in disregard of popular sentiments. That is why I find it necessary to write this long letter to explain to you once again the true picture, and to enlist your understanding and support of our cost-saving plans.

[3] When faced with a staggering annual shortfall of \$384 million in its operating budget, the University's response in respect of cost-saving is marked by the following features:

- (i) **Phased implementation**
To achieve a reduction of \$384 million in one go will do irreparable damage to the University, entailing immediate layoffs on a large scale. The University has therefore decided to phase in the reduction over two to three years, using reserves and donations (for non-specified purposes) to meet the estimated shortfall in the first two years.
- (ii) **Sharing of the burden**
The reduction is to be shared by three parties:
 - (a) Allocations to centrally administered funds will be substantially reduced; such reductions plus

transfers from University reserves will account for half of the budget shortfall.

- (b) Teaching departments are to bear about two-thirds of the remaining half of the shortfall, which is broadly in proportion to the total appropriations they receive.
- (c) Non-teaching units are to shoulder about one-third of the remaining half of the shortfall, which is also broadly in proportion to the total appropriations they receive.

Such sharing of responsibility can in no way be regarded as divisive or unfair across different units.

(iii) Ruling out a uniform cut

A budget cut like this will inevitably entail a corresponding reduction in compensation levels. Apart from the 6 per cent downward adjustment to be implemented in line with the civil service pay-cut in 2004 and 2005, further revisions in salary structure will be made in the light of the following:

- The University has already tightened remuneration for the teaching grades and revised the mechanism for salary reviews, resulting in a reduction in entry salary for new recruits and the abolition of automatic increments. However, the University recruits worldwide for academic staff, and there is a need to benchmark salaries against international standards. To remain competitive, the University has to offer packages comparable to those available at overseas universities of the same standing. (What we are now offering are already lower than those offered by our counterparts in the US.)
- Non-teaching staff have all along been recruited locally. As the salary levels of comparable jobs in the local labour market have undergone a significant downward adjustment, the University as a publicly-funded organization has the duty to realign the pay levels of the grades concerned.

[4] I would like to explain in greater detail the salary adjustments for non-teaching staff.

According to a survey conducted by a professional consulting firm, compared with staff salaries in sizeable and well-established companies and public organizations in Hong Kong, the pay levels of CUHK Terms (A) non-teaching staff are higher than market levels by 1 to 10 per cent, and those of Terms (B) and (C) staff are higher by 16 to 30 per cent. To cushion the impact on the supporting grades, and to narrow the gap between Terms of Service (A) and (B)/(C) grades, the largest differential of 10 per cent has been adopted as the pay level adjustment for Terms (A) staff and the smallest differential of 16 per cent has been adopted for Terms (B)/(C) staff.

In other words, after discounting the 6 per cent adjustment in line with the civil service pay cut, Terms (A) non-teaching staff will be subject to a further 4 per cent reduction upon contract renewal. Terms (B) and (C) staff will be subject to a further 10 per cent reduction.

While the measures reflect the market, the impact on staff members on Terms (B) and (C) has been deliberately reduced and softened. There has been no preferential treatment for senior grades — quite the reverse.

I should emphasize too that these adjustments apply only to new recruits and those offered new contracts upon reappointment. For staff on regular-terms, the University

is bound by contract and cannot cut their salaries unilaterally. Contractual obligations must be honoured. This is also one reason why the University cannot institute a salary cut across-the-board. The allegation that there is divisive treatment for those appointed on regular-terms and those newly recruited or being reappointed does not hold.

What's more, the Audit Commission has criticized the University for not having economized on staffing costs through the outsourcing of services such as cleaning. The University has however made it a point when devising cost-saving measures to avoid outsourcing as far as possible, so as to minimize layoffs. Given that the current salaries of Terms (C) staff range from \$8,000 to over \$10,000, the only way to get round layoffs is to lower operating costs by reducing pay levels. Two special measures have in fact been introduced to protect the well-being of minor staff:

- (i) capping the level of salary reduction — the Estates Management Office has, for example, announced that any salary reductions for its staff will not exceed 10 per cent (on top of the 6 per cent reduction in line with the civil service pay cut);
- (ii) guaranteeing a minimum salary of \$6,300 for new recruits or those being reappointed. (The corresponding figure for the market is \$4,250).

The salary levels of Terms (C) staff as suggested in our cost-saving plans are still way above the market. But then our decisions are a reflection of our appreciation of their contribution to the University. Who would not feel gratitude and appreciation for our beautiful and clean campus, the result of hard work by our colleagues, through rain or shine?

[5] Dear colleagues and students, the magnitude of the funding cut is unprecedented in the 40 years of the University's history. It is indeed a grave challenge, and for our own well-being and the University's future development, we must manage the budget plan well. Hence University management has consulted and communicated with teaching and non-teaching staff in various ways and through a variety of channels before finalizing the measures. University management has also had over 30 meetings with the two staff unions CUSA and CUTA. I believe the final plan for implementation has taken into full consideration the well-being of both the University and its staff, and has, to the extent possible, addressed the two primary objectives set out at the beginning of this letter.

Of course any plan that is expected to achieve cost savings of \$384 million a year necessitates some sacrifice from all members of the University. It is not what we would like, but the University has no better choice. I now appeal to all staff and students to be understanding. I have served The Chinese University for 34 years. I have always appreciated and cherished the spirit of solidarity among the staff and students in the face of adversity, and our collective ability to turn challenges into opportunities. The University again needs your support. Thank you.



Ambrose King
Vice-Chancellor

22nd March 2004

校長致全校同仁、同學公開信

各位同仁、各位同學：

(一)

有關中大面臨巨大削資的事，想必大家早有聞悉。我明白許多同仁、同學都非常關心。有的同仁擔心薪酬削減太多；有的同仁擔心部門工作外判而失業，因種種疑問，而焦慮不安。我個人在中大三十多年，也從未有如今日這樣的心情沉重。

近三個月來，大學為因應削資而研擬的預算方案，業經多次，並通過多種渠道，向本校教學及非教學單位的同仁不斷諮詢、溝通。期間，大學自始至終一直與本校兩個工會〔教師協會(CUTA)及職員協會(CUSA)]就預算建議一而再、再而三的往返協商，對於兩個工會所提要求，無不認真與嚴肅的回應，只要是不損害大學整體利益而合理可行者，都一一接納，故大學所提出的最後削資預算，實在是大學與兩個工會在風雨同路的精神下達成一定共識的方案，也是一個兼顧了大學整體與同仁利益的方案。這個方案旨在顧及兩個主要考慮：

1. 在最大程度上，保持中大的教研實力，不影響大學的持續發展。
2. 在最大程度上，保住本校員工的工作，不致因失業而影響生計。

這個削資方案已獲大學校董會的通過，現在已進入實施的階段，並由各部門及大學其他渠道向同事解釋執行細則。

(二)

儘管大學的削資方案已經有不下三十次大大小小，不同形式的溝通、諮詢，人事處與財務處更代表校方與個別員工及不同的員工組織多次聯絡溝通，但始終還是有這樣、那樣的誤解或錯誤的報導，甚至有蓄意的虛假指控，如「分化」、「肥上瘦下」、「罔顧民情」等等，不一而足。這是我覺得應該再寫這封長信的原因，讓大家再有一次機會看到大學削資預算方案的實情。我希望這個方案能得到大家的理解與諒解。

(三)

面對每年港幣三億八千萬元的巨大削資，大學的削資預算方案，主要包括以下幾個措施：

1. 分期實施：

如果要三億八千萬元的削減一步到位，對大學各個單位將會做成不可承受的損傷，立即出現大量裁員。因此大學決定分二至三年來調適。

第一、二兩年所不足之數則由大學儲備與捐款（非指定用途）來填補。

2. 各部門的承擔：

大學削資，主要分由三方面承擔：（一）大學中央大幅削減中央支配經費，加上儲備，承擔總削資約一半；（二）教學部門按撥款比例承擔其餘一半削資約三分之二；（三）非教學部門按撥款比例承擔其餘一半削資約三分之一。

上述的承擔組合，絕對不出現部門之間的「分化」或不公平。

3. 不用「一刀切」的方法

大學削資必然涉及薪酬制度的調整，除跟隨公務員 04 及 05 兩年共削減 6% 之外，大學教職員薪酬制度的調整主要內容如下：

- 大學已收緊教學人員的薪級及薪酬調整機制，特別是新入職教學人員的起薪點已經下調，並取消了自動增薪點。惟應注意者，教學人員乃在全球招聘，因此需盡量保持在國際上同級大學的薪酬水平（現已較美國許多同級大學為低），以維持競爭力。
- 非教學人員一向由本地招聘，由於香港人力市場相關職業的薪酬水平下調，大學作為公帑資助的機構，不得不相應下調有關職系員工的薪酬水平。

(四)

對於非教學人員的薪酬調整問題，我在此要講得詳盡些。

依專業顧問公司根據本港具規模的公司及公營機構所作市場薪酬水平比較：中大甲類非教學僱員的薪酬高於市場薪酬中位數 1%–10%，而大學乙、丙類非教學僱員薪酬則高於市場薪酬 16%–30%。大學為了減低對乙、丙類因減薪而帶來的影響，以及盡量拉近甲類與乙、丙類僱員的減薪幅度的差距，決定對甲類僱員以**最高百分率**作為減薪幅度（即 10%），而對乙、丙類僱員則以**最低百分率**作為減薪幅度（即 16%）。甲類僱員，在扣除公務員 6% 的調整幅度後，其實際減幅是 4%。乙、丙類僱員，在扣除公務員 6% 的調整幅度後，其實際減幅是 10%。

因此，中大所提出的減薪方案，反映了市場實況，並且兼顧了乙、丙類員工的處境，並不存在「肥上瘦下」的情況。

在這裡，應該指出，對非教學僱員的薪酬調整只適用於新入職或獲續聘簽新約者，這是因為長約的僱員，照聘約所定，除非個人同意，大學不

能單方面下調其薪酬。我們堅信，大學必須尊重聘約的法律精神。這也是大學不能用「一刀切」減薪方法的原因之一。故而絕不存在「分化」長約僱員與新入職或獲續聘簽新約僱員的問題。

再者，雖然政府審計署因中大對「清潔」等工作未作「外判」，未能節省人力成本而多所批評，但大學此次削資預算方案中一個重要的考慮是，盡量「不外判」、不裁員。由於現職丙類員工月薪絕大多數是 \$8,000 至超過 \$10,000，要做到不外判、不裁員，唯一可行的方法是減少營運的人力成本，亦即減低薪酬水平。大學為照顧基層工友特推行兩項措施：（甲）設定最大減薪幅度，例如，物業管理處已公佈減薪幅度不高於 10%（不包括跟隨公務員 6% 的減薪）；（乙）保證新聘或續聘僱員的月薪起點最低不低於 \$6,300（最低市場月薪為 \$4,250）。但如前述，在大学的方案中，大學對丙類員工所提供的薪酬水平仍然明顯高於市場薪酬。我想跟大家說，大學對於丙類員工的貢獻是十分肯定的。我們看到中大校園如此美麗，如此整潔，我們豈會對他（她）們在烈日、風雨中的辛勤，心存感激呢？

(五)

各位同仁、各位同學，中大此次面對削資之巨，為立校四十年來所未有。誠然，這是對大學的一次嚴峻挑戰，而我們回應的削資預算方案的成功與否，不止關係到同仁的利益，亦攸關中大未來發展的前景，此所以大學在削資預算方案拍板實施前，多渠道、多形式地與大學教職員同仁溝通、諮詢，更通過與本校兩個工會（CUSA 與 CUTA）協商談判，不下三十次之多。我相信最後實施的方案，已充分兼顧了大學整體的利益與同仁的利益，在最大程度上，亦可顧及我上面所提到的兩個考慮。

當然，一個要達到每年三億八千多萬元的削資方案，教職員同仁都必然有付出，這雖不是我們希望見到的，但大學不能不做。我再次在這裡誠懇地期望各位同仁、同學的理解、諒解。我在中大服務三十四年，我始終珍貴中大同仁、同學那份和衷共濟，同赴時艱，在逆境中創造新機的精神。謝謝。

金耀基

二零零四年三月二十二日