

立法會
Legislative Council

LC Paper No. CB(1) 437/00-01
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by the Administration)

Ref : CB1/PL/PS/1

Legislative Council
Panel on Public Service

Minutes of meeting
held on Monday, 20 November 2000 at 10:45 am
in the Chamber of the Legislative Council Building

Members present : Hon TAM Yiu-chung, GBS, JP (Chairman)
Hon LI Fung-ying, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon CHAN Kwok-keung
Hon Howard YOUNG, JP
Hon Michael MAK Kwok-fung
Hon LEUNG Fu-wah, MH, JP

Member attending : Hon CHAN Yuen-han

Members absent : Hon Andrew WONG Wang-fat, JP
Hon Albert CHAN Wai-yip

Public officers : **Items III and IV**
attending

Mr Joseph WONG Wing-ping, GBS, JP
Secretary for the Civil Service

Ms Anissa WONG, JP
Deputy Secretary for the Civil Service (1)

Mr D W PESCOD, JP
Deputy Secretary for the Civil Service (2)

Miss Jennifer MAK, JP
Deputy Secretary for the Civil Service (3)

Mr William NG
Director, Civil Service Training and Development Institute

Clerk in attendance : Miss Salumi CHAN
Chief Assistant Secretary (1)5

Staff in attendance : Mr FU Ping-hong
Senior Assistant Secretary (1)7

Action

I. Confirmation of minutes of meeting
(LC Paper No. CB(1) 173/00-01)

The minutes of the meeting held on 16 October 2000 were confirmed.

II. Date of next meeting and items for discussion

(LC Paper No. CB(1) 172/00-01(01) — List of outstanding items for discussion

LC Paper No. CB(1) 172/00-01(02) — List of follow-up actions)

2. Members noted the list of outstanding items for discussion and agreed to discuss the following items at the next regular meeting on Monday, 18 December 2000:

- (a) Corporatization of the Survey and Mapping Office (SMO) of the Lands Department — Impact on the staff concerned (referred by Duty Roster Members);
- (b) Pay, fringe benefits and employment protection for government employees serving on agreement terms (proposed by Mr LEE Cheuk-yan and Mr LEUNG Fu-wah); and

- (c) Mandatory Provident Fund (MPF) arrangements for government employees who are not exempt from the Mandatory Provident Fund Scheme Ordinance.

3. On paragraph 2(a) above, Mr HUI Cheung-ching noted that the five staff associations which had a meeting with the Duty Roster Members on 10 November 2000 were not in support of the corporatization of the SMO. To facilitate members' consideration of the subject, Mr HUI suggested that information about the representativeness of the five staff associations concerned be obtained.

(Post-meeting note: The relevant information provided by the five staff associations concerned was circulated to members vide LC paper No. CB(1) 318/00-01(04) on 13 December 2000.)

4. On paragraph 2(b) above, Mr LEE Cheuk-yan expressed concern about the policy governing pay and fringe benefits for government employees serving on agreement terms, particularly for the non-civil service contract staff. Mr CHEUNG Man-kwong noted that the contract gratuity for this group of staff had experienced a downward trend in the recent years from 25% to 15%, and then to 10%, and even to 5%. He queried the criteria for setting the rate of contract gratuity and the reasons for the changes in the rate in the recent years. Mr LEUNG Fu-wah was however concerned about the protection of labour rights and benefits of government employees on agreement terms, having regard to the fact that they were not covered by the Employment Ordinance (Cap. 57).

5. Regarding paragraph 2(c) above, members noted a submission dated 18 November 2000 from the Hong Kong Chinese Civil Servants' Association (HKCCSA) tabled at the meeting. According to the submission, HKCCSA reiterated its objection to the new arrangement under which the government's contributions to MPF schemes would be deducted from the relevant government employees' contract gratuities. The Chairman pointed out that the MPF arrangements for government employees had previously been discussed at the Panel meeting on 19 June 2000. According to the paper provided by the Administration for that meeting, the staff side of the Senior Civil Service Council noted the change in the provision of contract gratuity; the other three central staff consultative councils had no comments. In view of HKCCSA's submission, the Administration would be required to clarify the matter. Mr LEE Cheuk-yan considered that the Administration should implement an alternative arrangement for the relevant employees upon the renewal of their contracts in future, having regard to the fact that the deduction from their contract gratuities the government's contributions to MPF schemes would substantially reduce their income and affect their livelihood.

(Post-meeting note: HKCCSA's submission was circulated to members vide LC paper No. CB(1) 201/00-01 on 21 November 2000.)

Overseas duty visits

6. The Chairman advised that the Legislative Council Commission had decided to make an annual provision for overseas duty visits of various committees, including Panels. For the purpose of financial planning, the Chairman invited members who considered that there was a need for the Panel on Public Service to conduct a duty visit overseas before the end of the financial year (i.e. before 31 March 2001) to inform the Clerk in writing, stating the purpose, destinations and intended timing of the visit. Any such proposals would be discussed at the next meeting.

III. Follow-up discussion on the Civil Service Voluntary Retirement Scheme
(LC Paper No. CB(1) 172/00-01(03) — Paper provided by the Administration)

7. Deputy Secretary for the Civil Service (3) (DSCS3) briefed members on the paper provided by the Administration on the latest development of the Civil Service Voluntary Retirement (VR) scheme, including the approval of applications, release arrangements, staff consultation as well as the financial implications of the scheme. She highlighted that out of the around 11 000 applications involving 71 departments, only 249 applications from 4 departments would be rejected at this stage. The relevant departments had organized briefing sessions for their staff and explained to them the Administration's decision.

Approval of VR applications

8. Members noted that the Electrical and Mechanical Services Department (EMSD) would reject 233 VR applications, whilst the Food and Environmental Hygiene Department (FEHD) would defer its decision on around 1 200 VR applications. Mr CHEUNG Man-kwong and Mr LEE Cheuk-yan were concerned that these some 1 400 staff would feel aggrieved and that their morale would be adversely affected. They urged the Administration to consider approving the applications and to fill the posts concerned by new recruits.

9. SCS advised that in accordance with the established criteria, the approval of VR applications was subject to operational exigencies. For EMSD, it would reject 9 applications from Electrical Inspectors (EIs) and 224 applications from the non-vehicle streams of Mechanical Inspector, Works Supervisor, Senior Artisan, Artisan and Workman I as it was difficult to arrange replacement for these staff because of the highly specialized skill and experience required. For FEHD, it was able to approve about two-third of the 3 300 applications, i.e. about 2 100 applications, in December and release the staff concerned in the coming three years by phase. As regards the remaining one-third, i.e. about 1 200 applications, the department had discussed with the staff associations on the two options available: rejection of the 1 200 applications,

or deferral of decision on these applications to a later stage, after the department had conducted a further study on re-engineering of operations and replacement by other modes of service delivery. Having taken into account the views of the staff associations, the Administration would pursue the second option. Regarding the problem of staff morale, SCS advised that the departments concerned would discuss with their staff and address their concerns through counselling and training.

10. Mr LEE Cheuk-yan queried why the EI grade and other grades mentioned in paragraph 9 above had been included in the VR scheme if the Administration had such great difficulties in arranging replacement for the staff concerned. DSCS3 explained that certain grades, such as Artisan and Works Supervisor, had various classifications of work streams. In order to avoid causing any confusion, the Administration had, when inviting applications for the VR scheme, decided to list out only the 59 designated grades, but not the work streams of individual grades. However, where the chance of approving VR applications for certain work streams of a designated grade was slim, the department concerned had already explained the situation to the staff right from the start.

11. Mr HUI Cheung-ching asked whether the Administration had received any appeal from the staff whose VR applications had been rejected. SCS advised that the Administration planned to seek supplementary provisions from the Finance Committee in early December for the implementation of the VR scheme and then to inform the staff concerned of the result of their applications. Meanwhile, the departments concerned had started briefing their staff on the proposed arrangements.

Financial implications

12. Members noted with concern that based on the Administration's approval plan, around \$2.8 billion would be required for the VR payment, which was much more than the \$1.1 billion approved by the Finance Committee in June 2000. SCS advised that the implementation of the VR scheme would bring long-term savings to the government because of the deletion of surplus posts and the introduction of more cost-effective initiatives in the delivery of public services such as outsourcing. He estimated that the \$2.8 billion could be recovered in three years, and that there would be an annual saving of \$0.9 billion. The financial resources saved might then be spent on staff training and improvement of services.

13. The Chairman asked whether the savings would mainly derive from the contracting out of services. In this connection, Miss CHAN Yuen-han pointed out that some workers of the government's service contractors were offered rather low wages and that the standard of the services had deteriorated after contracting out. She urged the Administration to consider ways to ensure the standard of services and to protect the employment benefits of the workers of service contractors, for example, to specify the number of working hours and a minimum wage in the service contracts. SCS advised that service contractors were required to maintain the quality of the services

and that they should have taken this factor into account in setting the level of wages for their workers. It was not appropriate for the Administration to interfere with the level of wages set by private companies. At Miss CHAN's request, SCS undertook to provide information on the measures to be taken to ensure the quality of the services provided by contractors.

Impact on departments and remaining staff

14. In view of the fact that the number of applications for the VR scheme far exceeded that anticipated by the Administration, members were concerned whether the operations of the departments concerned would be affected and whether the remaining staff would be overburdened with work. In this connection, Mr LEE Cheuk-yan pointed out that the Administration had not provided the information requested by him at the last Panel meeting on the number of posts to be retained or to be deleted, and the number of posts where the services of which would be contracted out. DSCS3 advised that excluding the VR applications withdrawn, to be rejected or to be considered at a later stage, there would be around 9 300 posts to be vacated by VR-takers. The posts would be dealt with as follows:

<u>No. of posts</u>	<u>Action</u>
2 000	The posts would become surplus and therefore be deleted.
5 000	The relevant services would be contracted out. To maintain the existing services before the arrangements for contracting out were made, non-civil service contract staff would be recruited as a stop-gap measure to fill 1 000 out of the 5 000 posts.
2 300	The posts would be filled by internal redeployment or promotion.

15. Mr LEE Cheuk-yan expressed grave concern about the Administration's plan to contract out the services being provided by 5 000 government posts. As the public was still in need of the services, Mr LEE urged the Administration to retain the posts and to fill them by new recruits. SCS considered that if the same standard of services could be provided at lower cost by an alternative mode of service delivery, it was in the public interest to adopt the alternative mode. Mr Howard YOUNG pointed out that Mr LEE's proposal could also achieve savings, as the salaries of new recruits should be much lower than those of the serving staff.

16. Regarding the 2 300 posts to be filled by internal redeployment or promotion, Mr CHEUNG Man-kwong was concerned that this measure might result in the increase in workload of the staff of the departments from which 2 300 officers were redeployed. DSCS3 advised that this would not be so, as only the general grades or common grades staff who were surplus to the requirement of a department would be

redeployed to another department. At Mr LEE Cheuk-yan's request, DSCS3 agreed to provide information on the number of remaining staff who would be provided with training to enable them to take up new jobs upon redeployment, and the number of posts to be filled by promotion.

17. Mr LEUNG Fu-wah expressed his concern about the workload of the remaining staff in the Hospital Authority (HA) and requested a breakdown of the grades/posts of the 800 VR-takers in HA. DSCS3 undertook to provide the Panel with the relevant information after the meeting.

18. To address the concerns of the remaining staff in various departments, Miss CHAN Yuen-han stressed the importance of staff participation in finalizing the arrangements for redeployment, training, etc. SCS assured members that the staff concerned would be consulted on the arrangements.

Way forward

19. The Chairman considered that the information contained in the paper provided by the Administration was not in sufficient detail. In view of the substantial amount of supplementary provisions to be sought for the VR scheme, the Administration should, before submitting its proposal to the Finance Committee, provide the Panel with the information requested by members. SCS undertook to provide the information as soon as possible.

(Post-meeting note: The supplementary information on the Civil Service Voluntary Retirement scheme provided by the Administration was circulated to members vide LC paper No. CB(1) 230/00-01 on 28 November 2000. The Finance Committee approved the supplementary provisions on 1 December 2000.)

IV. Three-year Training and Development Programme for the Civil Service (LC Paper No. CB(1) 172/00-01(04) — Paper provided by the Administration)

20. Referring to the paper provided by the Administration, DSCS3 briefed members on the proposed three-year Training and Development Programme to be launched from 2001-02 to 2003-04 to enhance training for civil servants. The Administration intended to seek \$50 million from the Finance Committee for launching the Programme. Meanwhile, consultation was being made with various departments and staff associations, and the four central staff consultative councils had expressed their support for the Programme.

21. The Chairman drew members' attention to the submission from HKCCSA tabled at the meeting. HKCCSA expressed its support for the Programme and also made some suggestions on the strengthening of civil service training and development.

(Post-meeting note: HKCCSA's submission was circulated to members vide LC paper No. CB(1) 201/00-01 on 21 November 2000.)

Release of staff for training programmes

22. Members supported in principle the provision of better training and development for civil servants. However, in view of the limited manpower resources available in various government departments as a result of the Enhanced Productivity Programme and the VR scheme, members were concerned whether the staff would be released by the relevant departments to attend training programmes. When the staff was released, his work would have to be either shared out by his colleagues or left undone until his return from training. This would result in additional workload for the staff or his colleagues in a particular period of time, and might give rise to conflicts among them. DSCS3 advised that the Administration recognized that staff release was a concern to both departments and staff. The Administration would impress upon departments the importance of staff training, and also provide more variety of learning modes including use of external part-time and evening programmes, self-study programmes and e-learning to help solve the staff release problem.

23. The Deputy Chairman, Mr CHEUNG Man-kwong, Mr Michael MAK and Miss CHAN Yuen-han were concerned whether civil servants had the time and energy to attend part-time and evening programmes, or take up self-study programmes. SCS advised that at present, most of the training programmes were organized within normal office hours. While the Administration would continue to organize such programmes, it would also arrange other programmes to be conducted in the evenings or Saturday afternoons to facilitate the training and development of civil servants. As a matter of fact, many civil servants had taken up training courses after work on their own initiatives.

24. Responding to Mr CHEUNG Man-kwong, SCS advised that on average, each civil servant received three to four days' training (excluding part-time and evening programmes) every year. There was no problem in arranging the work of the staff concerned to be done by his colleagues. Mr LEE Cheuk-yan considered that information about the number of days of training undertaken by a majority of civil servants would be more meaningful than an average figure. SCS undertook to provide the information for last year.

25. Mr CHEUNG Man-kwong pointed out that with the implementation of the Programme, more staff might have to be released for training programmes of different duration. He considered that appropriate arrangements should be put in place for dealing with the work of an officer undertaking a training programme for several weeks

or more, so that the work would not be piled up and left for the officer himself to complete after the training programme, and that his colleagues would not be required to absorb his duties over such a long period of time. SCS appreciated his views and agreed to make the appropriate arrangements.

Assessment of training needs

26. Miss CHAN Yuen-han considered it inadequate for individual departments to assess the training needs of their staff. She suggested that the staff and some external advisers be involved in the process. DSCS3 advised that the Civil Service Bureau (CSB) had always encouraged individual departments to communicate with the staff concerned on their training needs. She also pointed out that the Civil Service Training and Development Institute (CSTDI) was playing the role of an external adviser to departments on how to achieve their training goals. Where necessary, individual departments might seek the advice of consultants. In response, Miss CHAN Yuen-han stressed the importance of staff participation and suggested that a system be established for the purpose.

Three-year Training and Development Programme

27. Mr HUI Cheung-ching noted that CSB proposed to promote self-learning culture in the civil service through four avenues, i.e. the expansion of CSTDI's Cyber Learning Centre, establishment of a Training incentive Scheme, development and acquisition of more self-learning resources, and enhancing resources in departments. He asked about the amount of financial resources to be allocated for these four avenues. SCS advised that the promotion of self-learning was one of the three major areas of the Programme. The \$50 million, if approved by the Finance Committee, would be allocated to the three major areas as appropriate. Apart from the \$50 million, CSTDI and various departments had their own annual recurrent funding reserved for staff training. CSB would liaise with the departmental management to see whether the financial resources saved by the streamlining of operations and the VR scheme could be partly allocated for staff training.

28. At the request of members, SCS undertook to provide more detailed information about the Programme, including the number of staff to be trained, the number and types of training courses, and the expenditure items under the \$50 million for the implementation of the Programme.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. CB(1) 436/00-01(03) on 10 January 2001.)

V. Any other business

29. There being no other business, the meeting ended at 12:50 pm.

Legislative Council Secretariat

10 January 2001