

立法會
Legislative Council

LC Paper No. CB(1) 319/00-01
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by the Administration)

Ref : CB1/PL/PS/1

Legislative Council
Panel on Public Service

Minutes of meeting held on
Monday, 30 October 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 Andrew WONG Wang-fat, JP
Hon Howard YOUNG, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon LEUNG Fu-wah, MH, JP

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

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)

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)91/00-01)

The minutes of the meeting held on Tuesday, 10 October 2000 were confirmed.

II. Date of next meeting and items for discussion

(LC Paper No. CB(1) 90/00-01(01) — List of outstanding items for discussion

LC Paper No. CB(1) 90/00-01(02) — List of follow-up actions)

Next meeting on 20 November 2000

2. The Panel noted the list of outstanding items for discussion and agreed to discuss the following items at the next regular meeting to be held on Monday, 20 November 2000:

- (a) Follow-up discussion on the Civil Service Voluntary Retirement scheme; and
- (b) Three-year Training and Development Programme for the Civil Service.

Regular meeting for April 2001

3. Members had decided earlier that the regular meetings of the Panel be held on the third Monday of each month. As the third Monday in April 2001 would be a public holiday, members agreed that the regular meeting for that month should be rescheduled to Thursday, 26 April 2001 at 2:30 pm.

III. Proposed revised terms of reference of the Panel

(LC Paper No. CB(1)90/00-01(03))

4. The Chairman invited members to examine the proposed revised terms of reference of the Panel. He pointed out that the proposed amendments were mainly technical in nature. The original item 4 had been rewritten and split into the new items 4 and 5 to reflect more clearly the provisions in Rule 77(3) and 77(14) of the Rules of Procedure.

5. Responding to Mr Albert CHAN and Mr Howard YOUNG, the Clerk advised that the proposed amendments were in order from the Legal Adviser's point of view. Members endorsed the revised terms of reference of the Panel.

6. The Chairman advised that the revised terms of reference of all Panels would be submitted to the House Committee for its recommendation to the Council for approval.

IV. Briefing by the Administration on Civil Service matters

(LC Paper No. CB(1)90/00-01(04) — Paper provided by the Administration)

7. Secretary for the Civil Service (SCS) briefed members on the main tasks of the Civil Service Bureau (CSB) in the coming year. First and foremost, CSB would ensure the smooth implementation of the various initiatives under the Civil Service Reform. It would also strengthen communication with staff at all levels, and the training and development of civil servants to maintain the high standards of integrity and efficiency in the civil service.

Civil service integrity and system of declaration of interests

8. Mr CHEUNG Man-kwong pointed out that in the past year, a number of cases relating to civil servants' integrity unearthed by the Independent Commission Against Corruption (ICAC) had aroused public concern. The Commissioner, ICAC, in attending the meeting of the Panel on Security on 19 October 2000, had pointed out that in the first nine months of this year, there had been an increase in corruption reports involving government departments. For example, the total number of reports against the two new departments tasked with municipal service duties, the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department, surged 27% when compared with the figure registered for their predecessors, the Urban and Regional Services Departments. Mr CHEUNG asked how CSB would deal with the situation.

9. SCS and Deputy Secretary for the Civil Service (3) (DSCS3) advised that the government was committed to upholding civil service integrity. Under the Civil Service Integrity Programme jointly organized by CSB and ICAC, visits had been paid to more than 40 departments and would be paid to the remaining departments to help them review and develop departmental guidelines on conduct and discipline. In addition, a handbook on "Ethical Leadership in Action" had been published for reference of senior managers in strengthening ethical values among their staff. SCS also pointed out that ICAC had been studying the proposal of making malfeasance a criminal offence. CSB would closely monitor the issue and work with ICAC to strengthen the existing legislation or regulations, as appropriate.

10. In connection with the Administration's efforts in promoting civil service integrity, Mr CHEUNG Man-kwong urged CSB to review and improve the system of declaration of interests by civil servants, in particular by directorate officers and senior civil servants in the disciplined services. In response, DSCS3 advised that a comprehensive review of the system of declaration of interests was being conducted and expected to be completed by the end of 2000. To address members' concerns expressed at previous meetings of the Panel on Public Service, the scope of the review covered various aspects, including whether the scope of declaration should be expanded to cover declaration of civil servants' liabilities and the spouses' interests and liabilities, and whether random checking should be conducted. SCS added that in conducting the review, the Administration had to maintain a proper balance between public interests and civil servants' right to privacy. He undertook to brief the Panel on the result of the review in due course.

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Performance appraisal and reward systems

11. Mr LEE Cheuk-yan noted that CSB had issued guidelines to, with effect from 1 October 2000, tighten rules on the award of increments and reinforce the application of Civil Service Regulations (CSRs) on stoppage and deferral of increments for officers with sub-standard performance. Mr LEE pointed out that he had received a number of complaints from civil servants about the subjectivity of the performance appraisal system. He was concerned that if the problem was not addressed, it might result in the unfair stoppage or deferral of increments. In this connection, he suggested the Administration to consider the establishment of assessment panels. He also asked whether an officer being assessed a certain grading, for example a "D" or "E" grading, would be regarded as having "sub-standard performance" and therefore subject to stoppage or deferral of increments, and whether there was a prescribed number or percentage of this group of officers.

12. Deputy Secretary for the Civil Service (2) (DSCS2) advised that the objective of performance appraisal was to ensure that all staff performed up to standard. While staff with good performance were given increments as an encouragement, those with sub-standard performance were given proper counselling, guidance and training. If the latter still did not perform up to standard, then the CSRs on stoppage and deferral

of increments would be applied on them. There was no prescribed number or percentage of staff who would be subject to this action, and there was no specific grading for under-performers. DSCS2 further advised that CSB had issued circulars encouraging departments to make use of assessment panels and other means to ensure the objectivity of performance appraisals. Training courses on the proper implementation of performance appraisal systems had also been conducted for departmental management.

13. At the request of Mr CHAN Kwok-keung, DSCS2 undertook to provide members with some examples of performance appraisal reports showing the core competencies of different grades.

(Post-meeting note: The examples of performance appraisal reports provided by the Administration were circulated to members vide LC Paper No. CB(1) 174/00-01 on 15 November 2000.)

14. In response to the Deputy Chairman's enquiry, SCS advised that the team-based performance rewards scheme would be introduced on a pilot basis and it would be up to individual departments to decide by the end of 2000 whether or not to join the scheme. So far, a number of departments had expressed interest in joining the pilot scheme. Departmental management would need to reach a consensus with the staff sides on the assessment standards. The ultimate assessment process should also involve the staff sides. CSB would be working with the relevant departments and their staff to develop suitable schemes.

Disciplinary cases and appeal mechanism

15. Mr Albert CHAN pointed out that the Civil Service Reform initiatives and the contracting out of public services had seriously affected the morale of the lower-rank civil servants. The situation was worsened by the recent disciplinary actions taken against, and court sentences imposed on, the lower-rank civil servants who had committed certain misconduct/offences. Whilst appreciating that the Administration was not in a position to interfere with the court decisions, Mr CHAN asked how the Administration would address the problem of staff morale and assure the lower-rank civil servants that the disciplinary procedures were fair and reasonable.

16. DSCS3 advised that the Secretariat on Civil Service Discipline had been set up early this year to process centrally formal disciplinary cases. With the application of a uniform yardstick and streamlined procedures, it was expected that disciplinary cases would be processed more efficiently and effectively, thus avoiding any unnecessary anxiety among the staff under investigation. Regarding the morale of the lower-rank civil servants, SCS advised that since he took up the post of SCS in August 2000, he had been visiting one department each week and during those visits, he had discussed with the front-line staff on matters of their concern. He had reassured them that no serving officer would be forced to leave the civil service under the pretext of

the reform initiatives. Moreover, CSB had urged all Heads of Departments to strengthen communication with their staff, especially those at the lower ranks.

17. Mr Andrew WONG said he had recently received complaints from some civil servants that they had been wronged by their supervisors because of personal grudges, resulting in unfair performance appraisals and disciplinary action against them. Mr WONG asked how CSB would address the problem and whether an appeal mechanism was in place. DSCS2 pointed out that the process of performance appraisal involved not only the appraisee and his immediate supervisor, but also the countersigning officer and the grade/departmental management. The appraisee had the right to go through the appraisal report and to record his own comments as part of the report. The appraisal system was therefore not amenable to the sort of manipulation alleged by the complainants. Deputy Secretary for the Civil Service (1) (DSCS1) added that the advice of the Public Service Commission (PSC) was sought before inflicting punishment on officers who were confirmed to the permanent establishment. If any officer felt aggrieved, he might lodge a complaint to the Chief Executive, CSB or PSC.

18. Mr Andrew WONG noted that in a disciplinary hearing, the officer concerned might be accompanied by a friend but not a lawyer. He considered this arrangement not reasonable as the lower-rank civil servants might not know how to present themselves and therefore might need the assistance of a lawyer. SCS and DSCS3 pointed out that an inquiry was basically a matter between an employer and an employee. In conducting the inquiry, the employee might be required to attend a disciplinary hearing which was not a court proceeding. It was therefore inappropriate for the government and/or the officer concerned to be represented by lawyers.

Public Service (Administration) Order

19. Mr Andrew WONG pointed out that prior to unification, the administration of the civil service, including the appointment, removal and discipline of civil servants, had been provided for in the Letters Patent (LP), Colonial Regulations (CR) and CSRs. In view of the fact that LP and CR would lapse on 1 July 1997, the Administration had consulted the Panel on Public Service in early 1997 on the two options of providing for the continuation of the then existing arrangements after the transfer of sovereignty. Mr WONG had expressed his view that the enactment of public service legislation was preferable to the issue of an Executive Order by the Chief Executive under Article 48(4) of the Basic Law. However, the Administration had not accepted his view and instead, arranged the issue of the Public Service (Administration) Order under Article 48(4) of the Basic Law. Mr WONG asked whether the Administration would reconsider the issue.

20. DSCS1 pointed out that before making the decision to pursue the option of issuing an Executive Order in 1997, the Administration had taken into account the historical factors and the legal advice obtained on the subject. At Mr Andrew

WONG's request, DSCS1 undertook to provide a written response to address his view and the legal advice obtained by the Administration on the subject in 1997.

(Post-meeting note: The written response provided by the Administration was circulated to members vide LC Paper No. CB(1) 195/00-01 on 21 November 2000.)

Leadership training in the civil service

21. Mr Howard YOUNG pointed out that in the recent years, private corporations recognized the importance of career management for individual officers, in particular those at the levels comparable to the Administrative Officer (AO) grade in the civil service. He asked whether there was any structured leadership training and career development plans for individual officers who had the potential to move up to the senior management of the civil service to ensure that they would be well-equipped and ready to take on higher positions in due course.

22. SCS advised that the government attached great importance to leadership training in the civil service. All along, AOs had been provided with local and overseas training. Moreover, arrangements had been made for some directorate officers to work in the central government offices, or other public organizations such as the Hong Kong Monetary Authority, to broaden their perspectives and enrich their experience. The Administration was also exploring the option of arranging AOs to work in some private organizations for a year or two.

Equal opportunities and personal privacy

23. Mr Michael MAK referred to a recent court case in which the government was sued for discriminating against several job applicants whose family members had mental illnesses. As the government had lost the case, Mr MAK asked what measures would be taken by the Administration to support the notion of equal opportunities and to protect the privacy of the staff concerned, so that they would not be discriminated against by their supervisors and colleagues.

24. In response, DSCS2 advised that the Administration's general policy was that a person's disability would not bar him from a civil service job. In fact, there was a form of positive discrimination in favour of the disabled. For example, when two applicants were considered suitable for a certain post, the one with disability would be selected for appointment. However, some civil service jobs did require a certain level of physical and mental ability. In view of the recent court ruling, the Administration would consider how to take the matter forward.

25. Regarding the question of personal privacy, DSCS2 pointed out that in addition to the provisions of the Personal Data (Privacy) Ordinance, the Office of the Privacy Commissioner for Personal Data had recently issued new guidelines on the

use of personal data in human resource management. Seminars and training courses were provided by the Administration to ensure understanding of the guidelines by individual departments.

26. Referring to the section about the government "taking the lead in employing people with a disability" in the paper provided by the Administration, Mr HUI Cheung-ching asked for the statistics on the number of disabled employed in the civil service, and their wastage rates over the last three years. DSCS3 undertook to provide the statistics after the meeting.

(Post-meeting note: The statistics provided by the Administration were circulated to members vide LC Paper No. CB(1) 174/00-01 on 15 November 2000.)

Model Scale I staff

27. Mr LEUNG Fu-wah sought clarification from the Administration on the position of the proposed conversion of Model Scale I (MOD I) staff from Category B to Category A status. SCS advised that in a recent meeting with the representatives of MOD I staff, it had been agreed that a working group should be set up to examine the details of the proposed conversion, such as its financial implications.

28. Mr LEUNG Fu-wah asked whether the Administration had the estimated percentage of MOD I staff in the total civil service establishment for the next two years. DSCS2 advised that there was no such an estimate.

V. Update on containing the size of the Civil Service, Voluntary Retirement Scheme and related issues

(LC Paper No. CB(1)90/00-01(05) — Paper provided by the Administration)

29. DSCS1 briefed members on the paper provided by the Administration.

30. Mr LEE Cheuk-yan reiterated his reservation about the Civil Service Voluntary Retirement (VR) scheme, having regard to the fact that it would create unemployment and affect the morale of the remaining staff. Mr LEE urged the Administration not to delete the posts left vacant after the retirement of the VR-takers and not to contract out the services concerned, but to open the posts for recruitment.

31. SCS advised that the VR scheme was introduced to address the potential surplus staff problem of 59 designated grades. In principle, the vacancies arising from the retirement of the VR-takers would not be filled, but the detailed arrangements had to be worked out carefully to ensure that the remaining staff would not be overburdened with work nor deprived of promotion opportunities, and that the quality

of public service would not be affected. Nevertheless, no recruitment would be conducted for the 59 grades in the next five years. Mr LEE Cheuk-yan requested the Administration to reconsider this point. Whilst appreciating Mr LEE's concern about the local employment situation, SCS considered it unjustified to retain the vacant posts which were surplus to the requirement. At Mr LEE's request, SCS undertook to provide a breakdown showing the number of posts that would be retained through staff redeployment, the number of posts that would be deleted, and the number of posts where the relevant services would be contracted out.

(Post-meeting note: The information provided by the Administration was circulated to members vide LC Paper No. CB(1) 172/00-01(03) on 16 November 2000.)

32. Responding to Mr LEE Cheuk-yan's further questions, SCS clarified that the VR scheme was not targeted at the lower-rank civil servants. For example, the Chinese Language Officer grade was also covered by the scheme. SCS also confirmed that the Administration had no plan for a second round of the VR scheme.

33. Mr CHEUNG Man-kwong pointed out that the number of applications for the VR scheme and the funds required to implement the scheme turned out to be far more than those expected by the Administration. He was concerned that the scheme had resulted in the retirement of not only the surplus staff, but also the essential staff, and the contracting out of more public services. He requested the Administration to review whether the VR scheme had been implemented too hastily and how the situation could be rectified.

34. SCS stressed that the VR scheme was introduced after careful consideration by the Administration. He pointed out that the original 5% take-up rate was a prudent assumption used to forecast the funding requirement under the VR scheme. It was only an initial estimate, but not a target or quota of the scheme. The Administration had in fact stated earlier that it might need to seek supplementary provisions from the Finance Committee. Reference to the private sector indicated that the 15% take-up rate in the VR scheme was broadly comparable to the average take-up rate in similar schemes offered by several major private companies. The Administration would ensure that the VR-takers would leave in an orderly manner.

35. Mr Michael MAK pointed out that most of the 1 165 applicants of the Department of Health (D of H) were in fact working in the Hospital Authority (HA). Mr MAK was concerned about the details of the arrangements between D of H and HA on the release of the staff concerned to ensure that the quality of health services would not be affected. DSCS3 undertook to provide the information after the meeting.

(Post-meeting note: The information provided by the Administration was circulated to members vide LC Paper No. CB(1) 172/00-01(03) on 16 November 2000.)

36. Mr Howard YOUNG pointed out that the Liberal Party would continue to support the VR scheme, on the understanding that the VR-takers would be released in an orderly manner and the quality of public services would not be affected.

37. The Chairman advised that the Panel would further discuss the VR scheme with the Administration at its next regular meeting to be held on Monday, 20 November 2000.

VI. Any other business

38. There being no other business, the meeting ended at 12:55 pm.

Legislative Council Secretariat

8 December 2000