

**Legislative Council Panel on Public Service
Meeting on 17 February 2003**

Staff Suggestions Scheme

Purpose

This paper informs Members of Civil Service Bureau's (CSB) initiative to enhance the operation of the Staff Suggestions Scheme (SSS) with a view to achieving savings for Government.

Background

2. It is the objective and responsibility of the departmental management to review and to enhance the operation of departments and the mode of service delivery from time to time for greater efficiency and cost-effectiveness. To complement this mission, the CSB has introduced the SSS some years ago as an incentive award system to encourage civil servants to make improvement suggestions on –

- (a) efficiency and effectiveness of the civil service;
- (b) quality of service to the public; and
- (c) financial savings/gains in revenue.

3. Under the SSS, civil servants are encouraged to make suggestions individually or as a team. The SSS operates at both the central and departmental levels. Suggestions with service-wide implications or relating to policy bureaux will be processed by the Central Staff Suggestions Committee under the CSB while suggestions concerning a department will be processed by the respective Departmental Staff Suggestions Committee. The Central and Departmental Staff Suggestions Committees comprise of representatives from both the management and the staff sides.

4. The level of award is determined by the extent of improvement in efficiency and effectiveness likely to be brought about by the suggestion. The encouragement reward is up to \$500 for a suggestion which is recognized for specially good efforts. For a suggestion which can generate financial savings or gains in revenue of over \$100,000, the prevailing cash award is up to \$15,000.

5. Between 1999/00 and 2001/02, about 1,000 suggestions were received under the SSS annually. The numbers of suggestions received and awards granted in these years are as follows –

Year	Number of Suggestions Received	Number of Awards Granted
1999/2000 Departmental Central	1,028 32 <i>1,060</i>	320 7 <i>327</i>
2000/2001 Departmental Central	971 37 <i>1,008</i>	271 8 <i>279</i>
2001/2002 Departmental Central	888 47 <i>935</i>	247 7 <i>254</i>

New Measures

6. As highlighted in the Chief Executive's Policy Address, Government's top priority at present is to tackle the fiscal deficit through a three-pronged approach – boost economic growth, reduce public expenditure and raise revenue. In order to mobilize the participation and support of staff more effectively in reducing public expenditure, we shall enhance the profile and operation of the SSS as set out in the ensuing paragraphs.

7. To start with, we shall launch a publicity campaign in March 2003 to further promote the SSS within the civil service. Since bureaux and departments are all expected to achieve savings through critically re-prioritizing businesses, re-engineering operations, re-organizing set-up, i.e. 3'R' and making greater use of market in service delivery, i.e. 1'M', the central theme of our publicity drive will correspondingly be achieving savings through 3'R' and 1'M'.

8. Apart from the publicity campaign, we shall raise the profile of the SSS. Starting from this year, the Central Staff Suggestions Committee has been chaired by a directorate officer from the CSB. In parallel, we have asked Heads of Departments to appoint a senior directorate officer as the chairman of their Departmental Staff Suggestions Committee in order to demonstrate the importance we attach to it.

9. While the ambit of the SSS will remain largely the same, we shall encourage staff to submit suggestions which can contribute savings under the theme of 3'R' and 1'M'. As a one-off measure to give a further incentive to staff, we shall raise the cash award up to \$30,000 for proposals which may save over \$1 million for Government. We shall emphasize to staff that their suggestions should be accompanied by detailed implementation plans and only practicable proposals will be rewarded.

10. To give a highlight to the scheme, we shall take stock of the suggestions received in June 2003 and give awards to those deserving ones.

Way Forward

11. Through the proactive campaign, we shall reinforce the cost-saving awareness within the civil service and engage civil servants proactively in reducing public expenditure. Having regard to the experience gained in this campaign, we shall review how best the SSS should be positioned in the long run.