立法會 Legislative Council

LC Paper No. CB(1)1506/03-04 (These minutes have been seen by the Administration)

Ref: CB1/PL/PS/1

Panel on Public Service

Minutes of meeting held on Monday, 15 March 2004 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 CHEUNG Man-kwong Hon HUI Cheung-ching, JP Hon CHAN Kwok-keung, JP Hon Bernard CHAN, JP Hon SIN Chung-kai

Hon Andrew WONG Wang-fat, JP Hon Howard YOUNG, SBS, JP Hon Michael MAK Kwok-fung Hon LEUNG Fu-wah, MH, JP

Non-Panel Member: Hon CHAN Yuen-han, JP

attending

Members absent: Hon LEE Cheuk-yan

Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Hon Albert CHAN Wai-yip

Public officers attending

: Agenda Items III & IV

Mr Joseph W P WONG, GBS, JP Secretary for the Civil Service

Mrs Rebecca LAI, JP

Permanent Secretary for the Civil Service

Miss Jennifer MAK, JP

Deputy Secretary for the Civil Service (1)

Agenda Item III

Mrs Jessie TING, JP

Deputy Secretary for the Civil Service (2)

Clerk in attendance: Miss Salumi CHAN

Chief Council Secretary (1)5

Staff in attendance: Ms Rosalind MA

Senior Council Secretary (1)8

Ms May LEUNG Legislative Assistant

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I. Confirmation of minutes of meeting

(LC Paper No. CB(1)1246/03-04 — Minutes of meeting on 16 February 2004)

The minutes of the meeting held on 16 February 2004 were confirmed.

II. Date of next meeting and items for discussion

(LC Paper No. CB(1)1245/03-04(01) — List of outstanding items for discussion

LC Paper No. CB(1)1245/03-04(02) — List of follow-up actions)

- 2. <u>Members</u> agreed that the following two items be discussed at the next regular meeting scheduled for 19 April 2004:
 - (a) Review of civil service allowances; and
 - (b) Employment of non-civil service contract staff.

III. Civil service-related issues in the 2004 Budget Speech

(LC Paper No. CB(1)1245/03-04(03) — Paper provided by the Administration)

Briefing by the Administration

- 3. At the Chairman's invitation, the Secretary for the Civil Service (SCS) briefed members on the latest progress of the following civil service-related issues in the Budget Speech 2004-05:
 - (a) Civil service pay adjustment
 - With the full implementation of the pay adjustments in 2002, 2004 and 2005, the Government would save about \$10 billion a year on civil service salary expenses and subsidies to the subvented sector. As regards the development of an improved civil service pay adjustment mechanism, the Administration issued a progress report in November 2003 setting out the policy considerations as well as the timetable for taking forward the exercise. The Administration's plan was to complete the whole exercise, including the presentation of detailed proposals on the application of the pay level survey results and introduction of any necessary legislation for implementing both upward and downward pay adjustments into the Legislative Council, in the second quarter of 2005.
 - (b) <u>Streamlining the organization structures of bureaux and departments</u> Several major reorganization exercises had taken place in the past year to streamline the organization structures of bureaux and

departments and to enhance efficiency and productivity through reengineering and re-priortization of service delivery. In 2004-05, the Administration would continue to step up efforts on this front. The first initiative to be implemented in the financial year was the incorporation of the Civil Service Training and Development Institute (CSTDI) into the Civil Service Bureau (CSB) with effect from 1 April 2004. Other re-organization proposals in the pipeline were set out in paragraph 8 of the paper.

(c) Containing the size of the civil service

Through continuous efforts of departments to streamline and reengineer their operations and mode of service delivery, the total civil service establishment had been reduced to 172 865 as at 31 January 2004. According to the Administration's projection, some 6 300 posts might be deleted by March 2005, bringing the civil service establishment down to about 166 500. It remained the Administration's objective to reduce the establishment to 160 000 by 2006-07.

Discussion

Streamlining the organization structures of bureaux and departments

- 4. Referring to the re-organization proposals set out in paragraph 8 of the paper, Mr HUI Cheung-ching sought information on the number of posts to be deleted and the amount of savings to be achieved through the proposals. Mr HUI was also concerned whether staff in the departments concerned had been consulted on the proposed amalgamation and/or streamlining and whether they were in support of the proposals. Mr CHAN Kwok-keung expressed concern about the impact of the proposals on the staff concerned and stressed the need for staff consultation.
- 5. <u>SCS</u> explained that as a normal practice, Directors of Bureau (DoBs) would provide information on the number of posts to be deleted and the estimated savings for any merger or streamlining proposal for consultation with the respective Panel before submitting the proposals to the Establishment Subcommittee (ESC) and the Finance Committee (FC) for approval. As regards the proposals set out in paragraph 8 of the paper, <u>SCS</u> agreed to provide the relevant information for the Panel's information.

(*Post-meeting note:* The information provided by the Administration was circulated to members vide LC Paper No. CB(1)1517/03-04(01) on

14 April 2004.)

- 6. On staff consultation, <u>SCS</u> advised that DoBs/Heads of Department (HoDs) would normally carry out staff consultation on merger or streamlining proposals. As the deletion of posts relating to the amalgamation and/or streamlining proposals set out in paragraph 8 of the paper would be achieved through a combination of measures such as the Second Voluntary Retirement Scheme (the second VRS) and natural wastage, the proposals had not encountered any objections during staff consultation.
- 7. Referring to paragraph 8(a) of the paper, Mr CHAN Kwok-keung expressed concern about the number of posts to be deleted under the proposed amalgamation of the Civil Engineering Department (CED) and the Territory Development Department (TDD). He also sought information on the existing establishment figures for the two departments.
- 8. In reply, the Deputy Secretary for the Civil Service (1) (DSCS1) said that the estimated establishment figures for CED and TDD as at 31 March 2004 were 1 494 and 361 respectively. The proposed amalgamation would result in a net deletion of 66 posts, including 9 directorate and 57 non-directorate posts. In response to the Chairman, DSCS1 advised that the Environment, Transport and Works Bureau (ETWB) had consulted the Panel on Planning, Lands and Works on the proposed amalgamation at its meeting in January 2004 and would submit the proposal to ESC in due course.
- 9. Referring to paragraph 8(b) of the paper, Mr CHEUNG Man-kwong asked whether the proposed streamlining of the organization structure and deployment of staffing resources of the Hong Kong Economic and Trade Offices (ETOs) would include the amalgamation of ETOs, such as those in London and Brussels. In reply, the Permanent Secretary for the Civil Service (PSCS) said that the Administration had briefed the Panel on Commerce and Industry on the proposal at its meeting in February 2004 and would submit the proposal to ESC in due course. She pointed out that the proposal would result in the deletion of two directorate posts and 12 non-directorate posts. SCS also pointed out that any proposals for the amalgamation of ETOs would be considered by the respective DoB, i.e. the Secretary for Commerce, Industry and Technology (SCIT). He assured members that SCIT would consult the Panel on Commerce and Industry on any further proposals in relation to the streamlining or amalgamation of ETOs before submitting the proposals to ESC for approval.
- 10. Noting that the incorporation of CSTDI into CSB would result in a net deletion of 47 posts by 2005-06, Mr LEUNG Fu-wah was concerned whether it

would result in a decrease in training opportunities for civil servants. In reply, <u>SCS</u> said that the Administration attached importance to staff training and the promotion of a continuous learning culture in the civil service. He pointed out that there had been a change in the mode of training in recent years, with an increasing number of civil servants benefiting from e-learning programmes on the internet. These effective self-learning programmes provided more training opportunities to civil servants while requiring less staffing resources from CSTDI.

- 11. **PSCS** supplemented that the Administration had consulted the Panel on the proposal to incorporate CSTDI into CSB at its meeting on 15 December 2003 before submitting the proposal to ESC for approval. She explained that with the devolution of training responsibilities to bureaux/departments in the past years, CSTDI had assumed the role of a facilitator and advisor, apart from being a direct service provider in training. At present, 98% of the vocational training (i.e. training designed to meet the job-specific needs of staff of certain grade or department) were provided by bureaux/departments. After reviewing CSTDI's operations, it was proposed that CSTDI should focus on four core areas, namely, senior executive training and development; national studies programmes; consultancy services to departments on human resources management initiatives; and promotion of a continuous learning culture in the civil service. that with the focus on core service areas and the change in mode of training from classroom to e-learning through the internet, the number of training staff in CSTDI could be reduced without affecting the training opportunities for civil servants to equip them with the skills and knowledge necessary for providing quality service to the public. <u>PSCS</u> also pointed out that according to the work plan of the Panel, the Administration would update the Panel on the provision of training and development opportunities in the civil service at its meeting in June 2004.
- 12. Mr Michael MAK expressed concern about the criteria adopted in the consideration of streamlining of organization structures of bureaux and departments, in particular those involving merger of bureaux and departments. He sought information on the role of CSB in these streamlining exercises and whether any policy documents had been issued to provide guidelines for DoBs/HoDs to take forward the streamlining exercises.
- 13. In reply, <u>SCS</u> pointed out that one of the priority task under the Accountability System for Principal Officials implemented in July 2002 was for individual DoBs to examine the feasibility and merits for streamlining the structures of bureaux and departments under their purview. In the process, CSB would coordinate the efforts of DoBs, consider the manpower implications of the re-organization and/or merger proposals, and monitor the overall progress in achieving staff savings for attaining the target of reduction in the size of the civil

service.

14. Mr Michael MAK was concerned that in the absence of objective guidelines for DoBs/HoDs, the streamlining exercises might become tools for the management to achieve staff savings. In response, SCS said that it would be unrealistic to expect CSB to assume the role of guiding or directing other DoBs in conducting streamlining exercises as if it was a super bureau. It was justifiable and appropriate for respective DoBs to consider whether streamlining of organization structures of bureaux and departments under their purview was feasible for enhancing efficiency and productivity. To facilitate internal discussion, streamlining and amalgamation proposals were considered at the regular meetings among DoBs convened by the Chief Secretary for the Administration.

Containing the size of the civil service

- 15. Noting that only 5 300 officers had been approved to retire under the second VRS, Miss CHAN Yuen-han was concerned how the Administration could achieve the target of deleting 6 300 posts from now up to March 2005. SCS explained that the target would be achieved through a combination of measures including the second VRS and the general civil service recruitment freeze, and natural wastage. He pointed out that the projection of deleting 6 300 posts by March 2005 was made in consultation with DoBs/HoDs having regard to the number of posts to be deleted through the above measures.
- 16. Responding to Miss CHAN Yuen-han and Ms LI Fung-ying, <u>SCS</u> said that the posts involved in the reduction of civil service establishment were those vacated by civil servants, including those vacated by civil servants appointed on permanent and pensionable terms and those by civil servants on contract terms.
- 17. Mr CHEUNG Man-kwong pointed out that the target of reducing civil service establishment to 160 000 by 2006-07 from its highest level of 198 000 in January 2000 represented a sharp reduction of about 20% within six years. He doubted whether the Administration had implemented the reduction in a fair manner across all grades and ranks in the civil service, with comparable percentages of reduction of directorate and non-directorate posts.
- 18. <u>SCS</u> explained that in taking forward the initiative of reducing the size of the civil service, DoBs/HoDs would decide which posts to be deleted having regard to service needs, staff deployment and their overall manpower plan. He stressed that the deletion of posts was in no way targeted at any grades or ranks nor was there any favoritism to any grades or ranks. He also pointed out that

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classification of directorate and non-directorate posts was a general one, and that the some 1 500 directorate posts only represented less than 1% of the total civil service establishment of about 170 000. SCS further pointed out that staff savings had been achieved through the deletion of both directorate and non-directorate posts. Quoting the example of posts deletion under the proposed amalgamation of CED and TDD, he said that the percentage of directorate posts to be deleted was even higher than that of non-directorate posts. He assured members that the Administration would take into consideration members' concern in the further reduction of civil service establishment.

- 19. While noting that directorate and non-directorate posts had been reduced by roughly the same percentage (i.e. by about 2.5%) from 31 December 2002 to 31 December 2003, Mr CHEUNG Man-kwong doubted whether this comparison could represent the general pattern of post deletion in the past years. Given the target to reduce the total civil service establishment by about 20% from 2000-01 to 2006-07, Mr CHEUNG asked whether the Administration had any target of deletion for directorate and non-directorate posts.
- 20. <u>SCS</u> said that the target of reduction in civil service establishment was to be achieved through the continuous efforts of bureaux/departments in working down the size of their respective establishment by a combination of measures. This target would apply to posts in all grades and ranks. He reiterated that in the process of identifying staff savings, DoBs/HoDs would uphold the principle of achieving cost-effectiveness in service delivery, and deletion of posts in all grades and ranks would be considered in the process. There was no target set for post deletion for any particular grade or rank and flexibility was allowed for the bureau/departmental management to work out their manpower plan having regard to their operational requirements. CSB would provide advice to the bureau/departmental management in human resources planning and monitor the overall manpower plans of the civil service.
- 21. Mr CHEUNG Man-kwong considered that the Administration had not implemented the initiative to reduce civil service establishment across all grades and ranks in a fair manner. He pointed out that as it was a normal practice for the creation of a directorate post to be offset by the deletion of another directorate post, the number of directorate posts had not been reduced as a whole. He urged the Administration to further consider the issue of fairness and consistency in the reduction of civil service establishment.

22. <u>The Chairman</u> commented that the Administration should consider changing the terms used in the classification of civil service posts. The present terms, "directorate posts" and "non-directorate posts" did not provide a

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meaningful classification, as no differentiation had been provided for the professional grades and management grades. Mr LEUNG Fu-wah shared the Chairman's view. SCS appreciated the Chairman's comment and said that the Administration would take it into consideration in future classification of civil service posts.

- 23. Ms LI Fung-ying expressed concern about the impact of the reduction in civil service establishment on the maintenance of healthy grade structure and the delivery of public service. As the Administration had arranged outsourcing and appointment of non-civil service contract staff (NCSC staff) to take up the duties previously performed by civil servants, Ms LI pointed out that the number of staff involved in the delivery of public service might be even more than before. Mr LEUNG Fu-wah shared her view. Ms LI and Mr LEUNG urged the Administration to make an overall assessment of the impact of the reduction in civil service establishment on service delivery, and to provide information on the establishment and/or strength as at 31 January 2004 in respect of the civil servants on permanent and pensionable terms, civil servants on contract terms, NCSC staff, staff employed in subvented organizations, and staff employed by Government contractors to undertake Government outsourced services.
- 24. <u>SCS</u> said that in taking forward the initiative of identifying savings and reducing surplus staff, DoBs/HoDs had to critically examine the continued need of a post whenever a vacancy arose. In considering whether a vacant post should be deleted, DoBs/HoDs adhered to the principle that the provision and quality of public service would not be unduly affected after the deletion of the post. Where there was operational need to fill the post, DoBs/HoDs might apply for exemption from the general recruitment freeze. In fact, approval had been given for such exemption for open recruitment to fill 583 posts.
- 25. SCS clarified that civil service establishment covered civil servants on permanent and pensionable terms and civil servants on contract terms, but not NCSC staff. At present, the number of NCSC staff was over 10 000. According to the work plan of the Panel, the Administration would brief members on the employment of NCSC staff at its meeting in April 2004. As regards staff employed by Government contractors, they did not have any employment contract with the Government and strictly speaking, their remuneration were not paid by SCS also pointed out that staff employed in subvented the Government. organizations were not Government employees, though their remuneration were mainly paid through the subvention from public funds. The total number of staff employed in subvented organization was probably similar to the total number of civil servants. He had no information on the number of staff employed by Government contractors.

26. At the request of Ms LI Fung-ying, <u>SCS</u> undertook to provide the required information as mentioned in paragraph 23 above in so far as civil servants and NCSC staff were concerned. He would check whether the relevant bureaux/departments could provide a rough estimate of the number of staff employed by subvented bodies and Government contractors employed to undertake outsourced services.

(*Post-meeting note:* The information provided by the Administration was circulated to members vide LC Paper No. CB(1)1517/03-04(01) on 14 April 2004.)

IV. Progress of reduction of civil service establishment

(LC Paper No. CB(1)1245/03-04(04) — Paper provided by the Administration)

- 27. At the invitation of the Chairman, <u>DSCS1</u> took members through the information paper provided by the Administration, highlighting the following points for member's reference:
 - (a) On the progress of reduction of civil service establishment, the total establishment had been reduced to 172 865 as at 31 January 2004. About 5 300 officers had been approved to retire under the second VRS and so far over 2 100 VR takers had already left the service.
 - (b) On additional measures to facilitate further reduction of civil service establishment, the Administration had started to explore the four measures set out in paragraphs 7 to 12 of the paper, namely, redeployment, tighter control over employment of NSCS staff, greater flexibility in granting no-pay leave and targetted voluntary departure schemes. The Administration would explore these measures more thoroughly and consult the staff sides and heads of bureaux and departments as necessary.

Target of reduction of civil service establishment and impact on service delivery

28. <u>Miss CHAN Yuen-han</u> pointed out that given the reducing amount of resources allocated in their financial envelopes, DoBs/HoDs were under the pressure to identify staff savings and might not be able to adhere to the principle of not affecting the quality of service. <u>Miss CHAN</u> quoted the example of the Lands Department which was unable to take enforcement actions against all cases

of unauthorized occupation of Government land due to resources and manpower constraints. She queried whether the reduction of civil service establishment was really achieved through continuous efforts of departments to streamline and reengineer their operations and mode of service delivery as claimed by the Administration, or through the employment of NCSC staff or outsourcing so that the duties previously performed by civil servants were now taken up by non-civil servants at a lower cost.

- 29. <u>SCS</u> responded that with the financial envelope arrangements, bureaux/departments might have to face certain level of pressure in achieving balance in the funds allocated in their envelopes and their actual expenditure. However, the pressure faced by bureaux/departments could be viewed from a positive perspective as a motivation towards increasing the cost-effectiveness of public service. SCS pointed out that the present level of civil service establishment had been achieved through substantial reduction in the past few years and it could not have been achieved without the continuous efforts of departments and civil servants. On the employment of NCSC staff, <u>SCS</u> explained that all along, departments had been given the flexibility to employ NCSC staff to meet service needs which were short-term, part-time or under review. While the NCSC staff scheme was introduced as a standing scheme in 1999, the arrangements for engaging temporary staff for meeting short-term or part-time service needs had long been in use, for example, the employment of temporary contract staff by the Post Office to cope with seasonal influx of workload.
- 30. <u>Miss CHAN Yuen-han</u> was concerned about the increasing number of NCSC staff employed, and that some civil servants on contract terms had been made redundant upon the expiry of their contracts. She urged the Administration to examine critically the impact of reduction in civil service establishment on the delivery of public service instead of imposing the rigid target of reduction on bureaux/departments. Quoting the example of staff dissatisfaction in relation to the transfer arrangements for clerical grades officers from the Department of Health to the Hospital Authority in July 2003, <u>Miss CHAN</u> requested the Administration to take into account the views of the staff concerned before implementing any changes.
- 31. In reply, <u>SCS</u> said that the extent of reduction in the civil service establishment was more than the increase in the number of NCSC staff. Hence, there was real reduction in manpower in the bureaux/departments. The staff savings were achieved through efforts of bureaux/departments in re-engineering, re-organizing and identifying alternative mode of service delivery. To maintain the quality of public service, posts identified for deletion were normally those

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involved in internal and administrative duties rather than those involved in frontline service delivery. <u>SCS</u> also clarified that civil servants on contract terms were not permanent employees of the Government and their appointments were made under contracts with specified expiry dates. If the jobs they were appointed to undertake had been completed and there was no operational need to continue their employment, their contracts would not be renewed upon expiry and this would not constitute forced redundancy.

- 32. Mr Michael MAK queried the justifications for the Administration to set the target of reduction of civil service establishment to 160 000 by 2006-07. SCS said that the target served as a goal for bureaux and departments to work towards improving their efficiency so that the level and quality of public service could be maintained with a lean and efficient civil service. Respective DoBs/HoDs would employ objective assessment criteria in working out their manpower plans, having regard to their actual staffing position and operational needs.
- 33. Mr CHEUNG Man-kwong enquired whether the Administration would further reduce the establishment of certain grades or ranks if surplus staff was identified in these grades or ranks after achieving the target of reducing civil service establishment to 160 000 by 2006-07. SCS responded that through the continuous efforts of bureaux and departments, good progress had been made towards achieving the target of reducing civil service establishment to 160 000 by 2006-07. The Administration had not set other new targets at this stage.

Second Voluntary Retirement Scheme

- 34. Referring to paragraph 4 of the paper that about 5 300 officers had been approved to retire under the second VRS, Mr Howard YOUNG asked whether this could meet the estimated target of VR applications during the launching of the scheme. Mr YOUNG was also concerned whether the departure of VR takers under the second VRS would in effect reduce the number of civil servants leaving the service through natural wastage in the coming years.
- 35. <u>PSCS</u> explained that given that applications under the second VRS were made on voluntary basis, the Administration had not set any target for the number of VR takers approved under the scheme. Nevertheless, for the purpose of seeking funding approval from FC for the second VRS, an estimation of about 7 000 cases had been made. The approval of 5 300 cases under the second VRS was close to the initial estimation. She said that the impact of the second VRS on the number of departures through natural wastage would only be seen a few years later, as officers with five or less than five years active service before reaching normal retirement age were ineligible to apply under the second VRS. <u>DSCS1</u>

added that there were some 5 900 applications for the second VRS and amongst these applications, some were ineligible and some applicants subsequently withdrew.

36. Mr Michael MAK expressed concern about the impact of the departure of VR takers under the second VRS on the efficiency of bureaux/departments and the staff morale, and the resulting impact on the quality and delivery of public service. SCS assured members that in considering applications under the second VRS, DoB/HoDs would ensure that the quality of service delivery would not be affected.

Forced redundancy

- 37. Mr CHEUNG Man-kwong referred to an interview report in a Mainland publication which quoted SCS as saying that abolition of office might be considered for reducing the civil service establishment. Pointing out that the Financial Secretary (FS) had reassured in the 2004-05 Budget Speech that in implementing measures to reduce civil service establishment, the Administration would strive to maintain civil service morale, Mr CHEUNG queried whether the remarks of SCS quoted in the Mainland press report was in contradiction with those of FS in his Budget Speech.
- 38. In response, <u>SCS</u> stressed that there was no contradiction in implementing the measures to reduce civil service establishment between FS and himself. He clarified that he did not mention about any forced redundancy plan in his interview with the reporter from the Mainland press. <u>Mr CHEUNG Man-kwong</u> considered that SCS should clarify the misleading information given in the interview report to avoid causing any unnecessary worries of civil servants about forced redundancy.

General recruitment freeze

- 39. Noting that the total civil service establishment had been reduced to 172 865 as at 31 January 2004, Mr Howard YOUNG sought information on the strength of civil service. Mr YOUNG enquired whether the existing vacant posts in the service would be deleted ultimately as a result of the general recruitment freeze. In reply, PSCS said that the strength of civil service as at 31 January 2004 was 165 644. Respective DoBs/HoDs would review whether the vacant posts should be deleted having regard to the operational needs.
- 40. Referring to paragraph 5 of the paper, <u>Ms LI Fung-ying</u> sought clarification on whether the approval for exemption for open recruitment to fill 583 posts involved newly created posts or only existing vacancies. <u>SCS and PSCS</u> said that the 583 posts involved both newly created posts and existing

vacancies. At the request of Ms LI, <u>SCS</u> undertook to provide a breakdown of the 583 posts showing the number of posts which were existing vacancies and number of newly created posts.

(*Post-meeting note:* The information provided by the Administration was circulated to members vide LC Paper No. CB(1)1517/03-04(01) on 14 April 2004.)

Additional measures to facilitate further reductions in civil service establishment

- 41. Nothing that the Administration was considering the possibility of implementing targetted voluntary departure schemes for a limited number of grades or ranks, Mr Michael MAK was concerned that the targetted voluntary departure schemes would give rise to anxiety of civil servants. In reply, <u>SCS</u> said that the possibility of implementing targetted voluntary departure schemes was only among one of the four possible measures to be explored further and no decision on these measures had been made at the present stage. There was no detailed plan for the targetted voluntary departure schemes, such as the grades or ranks to be included. CSB would continue to monitor progress of achieving the target of reduction of civil service establishment through the manpower plans submitted by bureaux and departments at the end of each financial year. It would further liaise with bureaux with a view to discussing with them what additional measures would be required to facilitate them to realize further reductions in the coming years. As a general principle, any proposed compensation under the targetted voluntary departure schemes, if implemented, would not be more generous than that under the second VRS.
- 42. Ms LI Fung-ying doubted whether the proposal of allowing greater flexibility in granting no-pay leave could be implemented given the fact that many serving civil servants had difficulties in taking their entitled paid leave because of the heavy workload. SCS explained that the proposal of applying the existing policy of granting no-pay leave in a more flexible manner was considered as an additional tool for bureaux/departments to manage their establishment and, if used, would entirely be on a voluntary basis initiated by the officers who wished to apply for no-pay leave. He said that DoBs/HoDs were encouraged to approve their staff to take their entitled paid leave subject to the exigencies of service. He invited Ms LI to give information on the cases in which civil servants were unable to take their entitled paid leave for CSB's follow-up actions.

V. Any other business

43. There being no other business, the meeting ended at 1:05 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 15 April 2004