

**Subcommittee on Pension Benefits Ordinance
(Established Offices) (Amendment) (No. 2) Order 2008**

Follow-up to the Second Meeting on 26 May 2008

At the meeting on 26 May 2008, the Subcommittee requested the Administration to provide information on the following -

- (i) the impact of the inter-departmental posting arrangement on the pace of outsourcing of services now rendered by Model Scale 1 (MOD 1) common grade staff;
- (ii) the estimated number of serving MOD 1 common grade staff who will be subject to the inter-departmental posting arrangement upon conversion to Category A status; and
- (iii) the recruitment policy of MOD 1 grades.

(i) Impact of the Inter-departmental Posting Arrangement on the Pace of Outsourcing of Services Now Rendered by MOD 1 Common Grade Staff

2. The Administration's established policy is to deliver public services in the most cost-effective and efficient manner, and to use capabilities in the private sector where appropriate. When drawing up large-scale outsourcing proposals which would have impact on serving civil servants, bureaux/departments (B/Ds) will consult the civil servants concerned through staff forums, meetings, departmental consultative committees, etc. The Administration's stance is that no serving civil servant would be made redundant due to outsourcing. Where necessary, affected staff would be redeployed within the civil service or managed through natural wastage.

3. The proposed inter-departmental posting arrangement for MOD 1 common grade staff who decide to opt for Category A status (upon the enactment of the Amendment Order quoted in the title of this paper) is not designed to speed up the pace of outsourcing. It is intended to enhance staff deployment flexibility within the civil service and optimize utilization of MOD 1 staffing resources in the event of any mis-match between MOD 1 common grade posts and staff in the future.

4. The planned institution of a clearing house mechanism, centrally managed by the Civil Service Bureau (CSB), is to ensure consistency and co-ordination in the implementation of inter-departmental posting – if and when necessary – of concerned MOD 1 common grade staff. The clearing

house will adopt a balanced and pragmatic approach in matching vacant MOD 1 common grade posts in one B/D(s) with surplus staff in the same grade in another B/D(s). It will adhere to the set of guiding principles, as stated in the paper provided by CSB and discussed by the Subcommittee at its last meeting on 26 May (now attached at **Annex A** for easy reference), for effecting any inter-departmental posting of concerned staff. This set of guiding principles has already taken into due account the views and sentiments expressed by the staff side as well as the operational requirements of B/Ds. The clearing house will also take into account any relevant special considerations (e.g. medical condition) of concerned MOD 1 common grade staff in assessing their suitability for inter-departmental posting.

5. Upon posting by the clearing house to a new B/D, a Category A MOD 1 common grade staff will come under the management of the receiving B/D. The management of this B/D will not be able, on its own, to post this staff to another B/D at some time in the future. Only the clearing house may do so and subject to the following considerations, namely: that it is satisfied that the B/D concerned has surplus MOD 1 common grade staff; that it is satisfied that a vacancy in the relevant MOD 1 common grade exists in another B/D; that taking into account the job requirements of the vacancy, the afore-mentioned set of guiding principles and any special considerations, the surplus MOD 1 staff is suitable for posting. In short, there is no question of Category A MOD 1 common grade staff being constantly posted from one B/D to another.

(ii) Estimated Number of Serving MOD 1 Staff Who Will be Subject to the Inter-departmental Posting Arrangement Upon Conversion to Category A Status

6. Inter-departmental posting for concerned MOD 1 common grade staff (i.e. those who have opted for Category A status following the enactment of the Amendment Order quoted in the title of this paper) will be arranged only when there is a mis-match between MOD 1 common grade posts and staff. No such mis-match is envisaged in 2008-09 and 2009-10 based on the manpower projections from B/Ds. Further down the road, it is difficult to predict whether and – if so – when such mis-match may arise.

7. Strictly on a hypothetical basis, we estimate that even if the vast majority of serving MOD 1 common grade staff opt for Category A status, a maximum of no more than around 4 080 would be subject to the inter-departmental posting arrangement if and when the need arises. We stress the hypothetical nature of this figure, as we do not know whether and when a mis-match situation would arise; as we do not envisage the mis-match situation – if any – between MOD 1 common grade posts and staff in future would be of such magnitude; and as we are not in a position to forecast how

many MOD 1 common grade staff would opt for Category A status. The hypothetical estimate is arrived as follows –

	(a)	no. of MOD 1 common grade staff (as at 31 March 2008)	10 384
<u>less</u>	(b)	no. of MOD 1 common grade staff who would not opt for Category A status on grounds of consequential reduced pension	124
<u>less</u>	(c)	no. of MOD 1 common grade staff streamed into specific areas of work on recruitment and would only be subject to – if necessary – very restrictive posting arrangement	1 890
<u>less</u>	(d)	no. of non-streamed MOD 1 common grade staff who will retire in 2008 - 09 to 2009 - 10 and in the five years thereafter	4 290
<u>equal</u>	(e)	maximum no. of MOD 1 common grade staff subject to inter-departmental posting	4 080

8. Based on the above purely hypothetical calculation, a breakdown of the serving MOD 1 non-streamed common grade staff, upon conversion to Category A status, who will be subject to the inter-departmental posting arrangement in the event of staff/post mis-match is at **Annex B**.

(iii) Recruitment Policy of MOD 1 Grades

9. There are eleven MOD 1 grades. In-service recruitment for nine MOD 1 grades, namely Car Park Attendant II, Ganger, Gardener, Property Attendant, Supplies Attendant, Ward Attendant, Workman I, Workman II and Workshop Attendant, is permitted if the concerned Heads of Department/Heads of Grade consider there is an operational need to fill any vacancies in these grades. Subject to CSB's prior approval, open recruitment is permitted for these nine MOD 1 grades. The requirement to seek CSB's prior approval is partly because some grades are in a state of obsolescence (e.g. Gardener and Workshop Attendant) and partly because some grades (e.g. Property Attendant, Workman I and Workman II) can recruit suitable personnel from within the civil service. In deciding whether or not to allow open recruitment for these grades, CSB will consider a host of factors, including long-term manpower

position of the grade, whether the operational need to fill identified vacancies is justified and whether in-service recruitment may identify sufficient suitable candidates, etc. Open recruitment for the Explosives Depot Attendant grade, which is under the purview of the Director of Civil Engineering and Development, is permitted without prior approval from CSB. As for the Barber grade, the current grade members are all engaged by the Hospital Authority (not a government department). There is no service need for the grade in B/Ds.

Civil Service Bureau
June 2008

**Guiding Principles for Effecting Inter-departmental Posting of
Category A Model Scale 1 Common Grade Staff**

- (a) Staff who have tendered a notice of retirement/resignation or have less than five years' remaining service prior to their normal retirement age will not be considered for inter-departmental posting.
- (b) Serving staff appointed to designated work streams will only be considered for inter-departmental posting to the same work stream and not other work streams.
- (c) Due regard will be given, as far as possible, to the location of the new workplace, the requirements of the job, and the work experience, skills and qualifications of the pool of staff available for inter-departmental posting.
- (d) Subject to (a) and (c) above, reference will be made to the "last in, first out" principle in arranging the release of staff when a mis-match situation arises.

**Breakdown of Serving Model Scale 1 (MOD 1) Non-Streamed Common Grade Staff
who will be Subject to the Inter-departmental Posting Arrangement
upon Conversion to Category A Status
(as at 31.3.2008)**

MOD 1 Common Grade Bureau/Department	Car Park Attendant II	Ganger	Property Attendant	Ward Attendant	Workman I	Workman II	Total
Administration Wing under Chief Secretary for Administration's Office	1		2			17	20
Agriculture, Fisheries and Conservation Department	2				190	72	264
Architectural Services Department					2	5	7
Audit Commission						1	1
Auxiliary Medical Service						13	13
Buildings Department						6	6
Census and Statistics Department					1	5	6
Civil Aid Service						7	7
Civil Aviation Department						2	2
Civil Engineering and Development Department			1		2	13	16
Civil Service Bureau						1	1
Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)						1	1
Correctional Services Department						34	34
Customs and Excise Department						27	27
Department of Health			16		2	241	259
Department of Justice						7	7
Development Bureau (Works Branch)						2	2
Drainage Services Department			1		43	103	147
Education Bureau						117	117
Electrical and Mechanical Services Department						17	17
Environmental Protection Department					1	25	26
Financial Services and the Treasury Bureau (Financial Services Branch)						3	3
Financial Services and the Treasury Bureau (Treasury Branch)						1	1
Fire Services Department		1	2			20	23
Food and Environmental Hygiene Department		34	1			1 616	1 651
Government Flying Service					1	2	3
Government Laboratory						2	2
Government Logistics Department			4			18	22
Government Property Agency			1		1	1	3
Highways Department						21	21
Home Affairs Bureau						3	3
Home Affairs Department			1			39	40

MOD 1 Common Grade Bureau/Department	Car Park Attendant II	Ganger	Property Attendant	Ward Attendant	Workman I	Workman II	Total
Hong Kong Observatory			3		1	3	7
Hong Kong Police Force			10			266	276
Hospital Authority*		4	4	67	6	167	248
Housing Department					110	99	209
Immigration Department						14	14
Information Services Department						5	5
Inland Revenue Department					1	10	11
Innovation and Technology Commission						2	2
Invest Hong Kong						1	1
Judiciary	3		9			5	17
Labour Department						10	10
Lands Department					61	15	76
Legal Aid Department						7	7
Leisure and Cultural Services Department			1			97	98
Marine Department						12	12
Office of the Government Chief Information Officer						2	2
Office of the Telecommunications Authority			1				1
Official Receiver's Office						3	3
Planning Department						8	8
Post Office						3	3
Radio Television Hong Kong			2				2
Rating and Valuation Department						4	4
Security Bureau						5	5
Social Welfare Department			5	23		93	121
Student Financial Assistance Agency						2	2
Trade and Industry Department			1		1	4	6
Transport and Housing Bureau (Transport Branch)						1	1
Transport Department			1		4	4	9
Treasury						2	2
University Grants Committee Secretariat						1	1
Water Supplies Department			2			165	167
Total	6	39	68	90	427	3 452	4082 (say 4 080) 39 % of Common Grade Total (10 384)

Note

* Not a government department