

立法會
Legislative Council

LC Paper No. CB(1) 1140 /08-09

(These minutes have been
seen by the Administration)

Ref : CB1/PL/PS/1

Panel on Public Service

**Minutes of meeting held on
Monday, 19 January 2009, at 10:30 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon LEE Cheuk-yan (Chairman)
Hon Mrs Regina IP LAU Suk-ye, GBS, JP (Deputy Chairman)
Dr Hon Margaret NG
Hon CHEUNG Man-kwong
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon LEUNG Kwok-hung
Hon IP Wai-ming, MH
Dr Hon PAN Pey-chyou
- Member attending** : Hon WONG Kwok-hing, MH
- Member absent** : Hon WONG Sing-chi
- Public officers attending** : **Agenda item IV**
Miss Denise YUE, GBS, JP
Secretary for the Civil Service

Mr Andrew H Y WONG, JP
Permanent Secretary for the Civil Service

Mr Brian LO
Deputy Secretary for the Civil Service 2

Agenda item V

Miss Denise YUE, GBS, JP
Secretary for the Civil Service

Mr Andrew H Y WONG, JP
Permanent Secretary for the Civil Service

Mrs Ingrid YEUNG, JP
Deputy Secretary for the Civil Service 1

Agenda item VI

Miss Denise YUE, GBS, JP
Secretary for the Civil Service

Mr Andrew H Y WONG, JP
Permanent Secretary for the Civil Service

Mr Brian LO
Deputy Secretary for the Civil Service 2

**Attendance by
invitation**

: Agenda item IV

Government Disciplined Services General Union

Mr LAM Kwok-ho
Chairman

Mr CHAN Tai-sing
Secretary General

Disciplined Services Consultative Council (Staff side)

Mr YUEN Fong-him
Chairman

Mr NGAI Sik-shui
Member

**Hong Kong Fire Services Department
Ambulancemen's Union**

Mr WAT Ki-on
Chairman

Mr WONG Kwong-shun
Vice-Chairman

Joint Alliance of Immigration Service Officers
Association, Hong Kong Immigration Assistants
Union, Hong Kong Immigration Department
Rank & File General Union and Hong Kong
Immigration Department Staff Association

Mr LEE Hok-lim
Representative

Hong Kong Immigration Assistants Union

Mr LAU Yuk-fai
Chairman

Association of Customs & Excise Service Officers

Mr Bernard LEE Kwan-kit
Chairman

Mr John LAU Kwok-tai
General Secretary

Correctional Services Officers' Association

Mr CHAN Ba-tak
Chairman (Junior Section)

Mr CHIU Chi-keung
Hon Assistant Secretary

Hong Kong Fire Services Department Staff's
General Association

Mr CHIU Sin-chung
Deputy Chairman

Mr KWONG Chi-keung
Deputy Public Relation Officer

Police Force Council

Mr CHUNG Kam-wa
Staff Side Representative

Mr David WILLIAMS
Staff Side Representative

Hong Kong Fire Services Officers Association

Mr LAU Hon-wa
Chairman

Mr MAN Siu-fung
Vice-Chairman

Four Government Flying Service (GFS) Unions

Mr Erik YOUNG Sei-lap
Representative

Mr SO Chau-ming
Representative

Hong Kong Correctional Services General Union

Mr POON Chi-ming
Chairman

Clerk in attendance : Ms Joanne MAK
Chief Council Secretary (1)2

Staff in attendance : Ms Sarah YUEN
Senior Council Secretary (1)6

Miss Winnie CHENG
Legislative Assistant (1)5

Action

- I Confirmation of minutes of meeting**
(LC Paper No. CB(1)559/08-09 — Minutes of special meeting on
27 October 2008
LC Paper No. CB(1)560/08-09 — Minutes of meeting on
17 November 2008)

The minutes of the meetings held on 27 October 2008 and
17 November 2008 were confirmed.

II Information papers issued since last meeting

(LC Paper No. CB(1)519/08-09 — Submission on employment of life guards from a member of the public

LC Paper No. CB(1)568/08-09 — Referral from the Complaints Division on control regime for post-service outside work of directorate civil servants)

2. Members noted the above papers issued after the last meeting.

III Items for discussion at the next meeting scheduled for 16 February 2009

(LC Paper No. CB(1)542/08-09(01) — List of outstanding items for discussion

LC Paper No. CB(1)542/08-09(02) — List of follow-up actions)

3. Members agreed to discuss the following items at the next regular meeting on 16 February 2009 –

- (a) Public consultation on post-service outside work for directorate civil servants by the Committee on Review of Post-service Outside Work for Directorate Civil Servants;
- (b) Draft Civil Service Code; and
- (c) Employment of non-civil service contract staff.

In order to allow sufficient time for discussion, the Panel agreed that the next meeting would be advanced to start at 9:30 am.

4. Regarding the subject referred to in item (a), the Chairman requested the Administration to note the concerns about the control regime for post-service outside work of directorate civil servants raised at the case conference with Tuen Mun District Council on 12 December 2008, as set out in the referral memorandum from the Complaints Division [LC Paper No. CB(1)568/08-09] and in the Panel's list of outstanding items for discussion. The Chairman also requested the Administration to provide information on the number of approved applications from directorate civil servants of major professional grades to take up post-service outside work with organisations related to their professions (from 2006 to 2008) for members' reference. The Secretary for the Civil Service (SCS) agreed to provide the information before the next meeting.

(Post-meeting note: The supplementary information provided by the Administration was issued vide LC Paper No. CB(1) 781/08-09 on 13 February 2009.)

5. As to the subject referred to in item (b), members agreed to invite deputations from major civil service consultative councils and staff associations to give views to the Panel.

6. At the Chairman's request, SCS agreed to provide a breakdown, by departments, of the 7 700 government vacancies that would be filled by recruitment between December 2008 and March 2010, as announced by the Chief Executive (CE) earlier.

(Post-meeting note: The supplementary information provided by the Administration was issued vide LC Paper No. CB(1) 790/08-09 on 13 February 2009.)

IV Grade structure reviews: recommendations of the advisory committees

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| (LC Paper No. CB(1)606/08-09(01) | — | Administration's response to issues raised at the meeting on 15 December 2008 |
| LC Paper No. CB(1)310/08-09(01) | — | Administration's paper attaching the following: <ul style="list-style-type: none">- a copy each of the reports from the three advisory bodies on civil service salaries and conditions of service on their respective reviews on the directorate grades, the disciplined services, and selected non-directorate civilian grades; and- a copy of the statement by SCS issued on 27 November 2008 |
| LC Paper No. CB(1)351/08-09(03) | — | Paper provided by the Administration |
| LC Paper No. CB(1)352/08-09 | — | Background brief prepared by the Legislative Council Secretariat) |

Presentation of views by deputations and the Administration's initial response

*Government Disciplined Services General Union
(LC Paper No. CB(1)542/08-09(03))*

7. Mr LAM Kwok-ho, Chairman of the General Union, briefed members on the salient points of the General Union's views as detailed in its joint submission with the Disciplined Services Consultative Council (Staff Side) (DSCC(Staff Side)). He highlighted their three demands as follows -

- (a) to standardize the pay scales in respect of all disciplined services, particularly the relevant entry points and maximum points;
- (b) to extend through scale arrangement to the Correctional Services, the Customs and Excise, the Immigration, the Government Flying Service and the Fire Services' Ambulance Stream to boost staff morale; and
- (c) to shorten the conditioned hours of work in respect of all disciplined services without requiring that the three pre-requisites of being cost neutral, not involving additional manpower and maintaining the same level of service to the public had to be achieved.

DSCC(Staff Side)

(LC Paper No. CB(1)542/08-09(03))

8. Mr YUEN Fong-him and Mr NGAI Sik-shui, Chairman and member respectively of DSCC (Staff Side), briefed members on the salient points of DSCC (Staff Side)'s views as detailed in its submission. They pointed out that the Standing Committee on Disciplined Services Salaries and Conditions of Service (SCDS) had only arranged a short meeting to briefly discuss with them on the Grade Structure Review (GSR) for the disciplined services. DSCC(Staff Side) was of the view that SCDS's Report had failed to take into serious consideration the views and expectations of individual disciplined service grades. They requested the Panel to consider in detail the aspirations of individual disciplined service grades. On the "deferral" proposal, while DSCC(Staff Side) appreciated the rationale of the proposal, they considered that the Administration should still provide a timetable for the implementation of those recommendations which would have funding implications.

Hong Kong Fire Services Department Ambulancemen's Union

(LC Paper No. CB(1)542/08-09(04))

9. Mr WAT Ki-on, Chairman of the Union, briefed members on the salient points of the Union's views as detailed in its submission. He criticized SCDS for refusing to meet with the Union but accepting to meet with the management of the Fire Services Department (FSD) several times. He considered that SCDS should not have the preconception that the pay relativity

between grades should not be changed. The Union was also dissatisfied that SCDS's report had not provided clear explanation of its positions and detailed information and data, as in the case of the Rennie Committee's Report. The Union had doubts whether SCDS had applied the value-for-money criterion in conducting the GSR for the disciplined service grades.

(Post-meeting note: The Union subsequently provided a further submission which was issued vide LC Paper No. CB(1)636/08-09(01) on 20 January 2009.)

Joint Alliance of Immigration Service Officers Association, Hong Kong Immigration Assistants Union, Hong Kong Immigration Department Rank & File General Union and Hong Kong Immigration Department Staff Association (the Joint Alliance)
(LC Paper No. CB(1)542/08-09(05))

10. Mr LEE Hok-lim, representative of the Joint Alliance, briefed members on the salient points of the Joint Alliance's views as detailed in its submission. The Joint Alliance was disappointed that SCDS had rejected, without giving any explanation, their following demands -

- (a) To extend through scale arrangement to Immigration Officers/Senior Immigration Officers;
- (b) To raise the entry points for the Immigration Assistant Grade (Rank and File) and the Immigration Officer Grade (Officer Cadre) to bring them in line with comparable ranks in other disciplined services; and
- (c) To raise the maximum points for the Immigration Assistant Grade (Rank and File) to bring them in line with comparable ranks in other disciplined services.

(Post-meeting note: The Joint Alliance subsequently provided a further submission which was issued vide LC Paper No. CB(1)843/08-09(01) on 19 February 2009.)

Hong Kong Immigration Assistants Union
(LC Paper No. CB(1)843/08-09(01))

11. Mr LAU Yuk-fai, Chairman of the Union, expressed the Union's great disappointment and regret over SCDS's Report. The Union criticized SCDS for failing to take into serious consideration staff sides' views. He said that it was regretful that SCDS had failed to examine the growing work complexity of Immigration Assistants over the past 20 years and had failed to duly recognize the efforts made by staff in striving to fulfill their enhanced

roles and duties. The Union considered it most unfair that the entry and maximum points for the Immigration Assistant Grade were lower than those for other disciplined services, notwithstanding their same entry qualifications requirements.

Association of Customs & Excise Service Officers
(LC Paper No. CB(1)542/08-09(06))

12. Mr Bernard LEE and Mr John LAU, Chairman and General Secretary respectively of the Association, briefed members on the salient points of the Association's views as detailed in its submission. The Association urged the Administration to reduce the conditioned hours of work for the Customs and Excise Department (C&ED) and review its roster system. They considered that if there was delay in implementation of any salary proposals due to the economic downturn, consideration should be given to giving retrospective effect of such proposals. The impact of the "deferral" proposal on soon-to-retire civil servants should also be taken into account. The Association also pointed out that the pay for the Inspector of the Customs and Excise grade should be increased to recognize the increase in their workload and responsibilities over the years.

Correctional Services Officers' Association
(LC Paper No. CB(1)636/08-09(03))

13. Mr CHAN Ba-tak, Chairman (Junior Section) of the Association, opined that SCDS had failed to recognize the unique job nature and contribution of the staff of the Correctional Services Department (CSD). The Association called on the Administration to consider staff's concerns that they had limited "disposable time" because of the relatively long conditioned hours of work of 49 per week and remoteness of their workplace. The Association considered that it was also unfair that CSD staff could not enjoy five-day week. It demanded extending the through scale arrangement to the Officer grade of CSD and enhancing their pay scales in recognition of their increased scope and complexity of work.

(Post-meeting note: The Association subsequently provided a further submission which was issued vide LC Paper No. CB(1)947/08-09(01) on 2 March 2009.)

Hong Kong Fire Services Department Staff's General Association
(LC Paper No. CB(1)542/08-09(07))

14. Mr CHIU Sin-chung, Deputy Chairman of the General Association, briefed members on the salient points of the General Association's views as detailed in its submission. The General Association expressed dissatisfaction with SCDS's recommendation of shortening the conditioned hours of work (54

hours per week now) of FSD staff under the three pre-requisites of being cost neutral, not involving additional manpower and maintaining the same level of service to the public. The Association considered that the three pre-requisites could hardly be achieved given the extremely tight staffing resources of the department. The Association also demanded that the pay scales of staff working in the Fire Stream be enhanced in recognition of their escalating demand and hazard of work.

Police Force Council (Staff Side)

(LC Paper No. CB(1)542/08-09(08) and LC Paper No. CB(1)419/08-09(01))

15. Mr David Williams and Mr CHUNG Kam-wa, representatives of the Council (Staff Side), briefed members on the salient points of the Council (Staff Side)'s views as detailed in its submissions. They criticized SCDS's Report for failing to provide effective recommendations on grade structure and career progression for the Police. They said that the GSR of the disciplined services had failed to come up with fair and reasonable recommendations in respect of the pay incremental structure of Police officers, especially of the Police Sergeants who faced high demands in terms of supervisory and legal responsibility. They also pointed out that management's and staff's concerns regarding the GSR had not been properly documented or addressed. They added that SCDS had also failed to provide clarifications on certain issues in the course of staff consultation. They called on SCS to seek clarifications from SCDS.

Hong Kong Fire Services Officers Association

(LC Paper No. CB(1)606/08-09(02))

16. Mr LAU Hon-wa, Chairman of the Association, briefed members on the salient points of the Association's views as detailed in its submission. He highlighted that the Association was extremely disappointed at the recommendations made in paragraphs 6.22 and 6.37 of SCDS's Report. He also expressed dissatisfaction with SCDS's recommendation of shortening the conditioned hours of work of FSD staff under the three pre-requisites. He called on the Administration to provide additional resources to FSD in order to implement this recommendation. He added that if implementation of any salary proposal was delayed due to the economic downturn, consideration should be given to implementing them with retrospective effect.

Four Government Flying Service (GFS) Unions

(LC Paper No. CB(1)704/08-09(02))

17. Mr Erik YOUNG, representative of the four GFS unions, said that the GFS Pilots Union was very disappointed at SCDS's Report, which had failed to provide a proper comparison between the ranks and welfare benefits of GFS pilots and those of their counterparts in the commercial sector, or make feasible

proposals relating to the Pilot II rank. In addition, the retention problem with the Pilot I and Senior Pilot ranks and solutions as proposed in the GFS unions' submissions made to SCDS had been ignored. Mr YOUNG pointed out the GFS Air Crewman Officers Association was of the view that the Air Crewman Officer III rank should be eligible for one incremental jump upon completion of five years and eight years of service in the rank respectively because their entry point was significantly lower than that of their counterparts in other disciplined services.

18. On behalf of GFS Aircraft Engineers Association and GFS Aircraft Technicians Union, Mr SO Chau-ming pointed out that with increased demand on GFS, the aircraft maintenance work involved had increased. GFS's aircraft fleet had also become more technologically advanced. Notwithstanding, not only had members of the GFS unions managed to enhance their professional skills to cope with the new demands but their performance had also gained wide recognition. SCDS's Report had however failed to recognize their contribution and proposed cutting the numbers of aircraft engineers/technicians, especially of the Chief Aircraft Technicians, which would lead to increase in workload for the Aircraft Technician and Senior Aircraft Technician ranks.

Hong Kong Correctional Services General Union

19. Mr POON Chi-ming, Chairman of the General Union, made the following points –

- (a) The General Union and other deputations had attended this meeting not to secure upward pay adjustments but to demand for upholding the principle that the GSR of the disciplined services should look into problems/inconsistencies in grade structures to ensure fairness. However, SCDS had failed to positively respond to the General Union's views in this regard, and SCDS's Report was far below in standard than that of the report of the 1988 Rennie Review; and
- (b) The Government should be fair to staff and provide a timetable for the implementation of SCDS's recommendations which would have funding implications.

20. The Chairman recapitulated the deputations' common concerns about SCDS's Report. These included concerns about the failure to respond to the problems the staff side had raised to SCDS and their expectations concerning grade structure and pay scale; the absence of a timetable for implementing SCDS's recommendations; the uncertainty as to whether the implementation of recommendations, if deferred, would take retrospective effect; and the need to reduce the disciplined services grades' long conditioned hours of work. At the

Chairman's invitation, SCS gave an initial response to the deputations' concerns, as follows –

- (a) She had started meeting with civil service consultative councils on the GSR reports in the past two weeks, and she would continue to study and consider carefully the views received. Staff sides and unions were welcome to submit any further views to the Civil Service Bureau (CSB) before conclusion of the consultation exercise in end-February 2009. Till then, it would be inappropriate for the Administration to respond to any views expressed on the GSR reports.
- (b) As regards the "deferral" proposal, before making the relevant public announcement, SCS had notified the major civil service consultative councils and staff associations that, in recognition of Hong Kong's rapidly worsening economy amidst the global financial crisis, when the Administration submitted to CE in Council its recommendations on the GSR reports, it would propose to defer the implementation of those recommendations supported by the Administration and involving additional financial implications until the local economy returned to a steady state.
- (c) Regarding the Police Force Council (Staff Side)'s request for SCS to seek clarification from SCDS on some of its recommendations, SCS considered that in the light of SCDS's terms of reference (i.e. *"The Heads of the Disciplined Services may jointly or individually refer any matters relating to the pay and conditions of service of the Disciplined Services to the Standing Committee. In addition, the Official Side and Staff Side of the Police Force Council, the Disciplined Services Consultative Council and the ICAC Staff Consultative Committee may jointly or individually refer such matters to the Standing Committee"*), it was more appropriate for the Police Force Council (Staff Side) to directly contact SCDS for clarifications and she had so advised them.

21. Members noted that Hong Kong Chinese Civil Servants' Association, which did not send representatives to the meeting, had provided a submission (LC Paper No. CB(1)606/08-09(03)) for members' reference.

Discussion

Dissatisfaction at the GSR of the disciplined services

22. Mr WONG Kwok-hing considered it important to upkeep the morale of the civil service and to conduct thorough consultation on the three GSR reports to address the staff's concerns. He sought the Administration's response to the Joint Alliance's and Hong Kong Immigration Assistants' Union's complaint about the lower entry points and maximum points for the Immigration Assistant Grade (Rank and File) and the lower entry points for the Immigration Officer Grade (Officer Cadre) as compared with their counterparts of other disciplined services. In response, SCS explained that she would study the findings and recommendations of SCDS's Report and consult with the concerned parties. She added that the Administration would not formulate a position on the matter until it had examined all the views received on SCDS's Report during the consultation exercise.

23. Mr CHEUNG Man-kwong noted that there was strong dissatisfaction from various disciplined services over SCDS's Report, which fell short of their expectations. Mr CHEUNG asked whether the Administration could expect that the recommendations of SCDS's Report could be implemented in a smooth manner, given the strong dissatisfaction expressed by the disciplined services over the long existed problems pertaining to their pay, conditions of service and grade structure.

24. SCS responded that she kept an open mind on the recommendations of the three GSR reports. She said that at the time when she invited SCDS to conduct the GSR of the disciplined services, she also had no preconceived position. She reiterated that it was necessary to study all the views received in the consultation exercise first before the Administration would formulate a position on SCDS's Report.

25. Mr CHEUNG Man-kwong urged the Administration to engage in direct dialogue with the disciplined services to address their strong dissatisfaction over their pay structure, career progression and conditioned hours of work, etc. He considered that SCDS's Report had failed to address their grave concerns in these respects. Mr IP Wai-ming echoed Mr CHEUNG's views. Mr IP considered that great contributions had been made by the disciplined services to Hong Kong and it was unfair that their many concerns about salaries and conditions of service had not been properly addressed in SCDS's Report. He cautioned the Administration that their dissatisfaction, if remained unaddressed, might develop into more serious actions that could impact on the community.

26. Dr PAN Pey-chyou highlighted the importance of the current GSR of the disciplined services, as it was the first GSR after the last one conducted

20 years ago while Hong Kong society had undergone many changes over the years, giving rise to changes and challenges in the operating environment of the disciplined services. Noting the deputations' great dissatisfaction with the outcome of the GSR concerning them, Dr PAN suspected that SCDS might have failed to reach a consensus with the disciplined services from the outset on the criteria and considerations adopted for conducting the GSR. He asked SCS whether the Administration would consider conducting the GSR of the disciplined services again. Mr IP Wai-ming also urged the Administration to consider the need to conduct the GSR again.

27. SCS responded that Dr PAN's question was a hypothetical one. She pointed out that according to SCDS's terms of reference, SCDS could advise and make recommendation to CE in respect of the salary levels and structure of individual grades in the disciplined services. In addition, the Official Side and Staff Side of the relevant consultative councils could at any time jointly or individually refer any matter relating to the pay and conditions of service of the disciplined services to SCDS.

28. Dr PAN Pey-chyou said that a comprehensive review of the disciplined services' pay scales could only be conducted in the context of the relevant GSR. He added that the disciplined services had high expectations of SCDS's Report hoping that it would examine their situation and put forward effective recommendations to improve their salary levels and grade structure.

29. Commenting that SCDS's Report had over-simplified the issues studied, the Deputy Chairman expressed concurrence with some deputations' criticism that SCDS's Report was not up to the standard of the Rennie Committee's Report. Moreover, she had heard complaints that Mr Henry FAN, former Chairman of SCDS, had often declined to meet with staff in conducting the GSR. The Deputy Chairman urged the Administration to keep an open mind and carefully consider all the views received during the consultation exercise.

Proposal to defer implementation of recommendations

30. Ms LI Fung-ying queried why the Administration claimed that it had an open mind on the recommendations of the three GSR reports since it had already decided to propose deferring the implementation of any recommendation involving additional financial implications. She also asked about the criteria for determining when the local economy was regarded to have returned to a steady state, and whether a timeframe for implementing the deferred recommendations would be provided. Mr LEUNG Kwok-hung considered that the "deferral" proposal reflected that the Administration had adopted a preconceived position on the GSR reports before the consultation exercise came to an end.

31. In response, SCS explained the need for the Administration to take special measures in the midst of the current unprecedented global financial crisis. Under normal circumstances in the past, the Administration would not take any position on a GSR report before it had studied their findings and recommendations and consulted all stakeholders. However, in the current situation, it was necessary for the Administration to announce the "deferral" proposal upon release of the three GSR reports. As to the approach to be adopted to assess whether the economy had returned to a steady state, SCS said that the Administration would welcome views on this issue and would also specifically collect views on the issue during the consultation exercise.

32. Mr LEUNG Kwok-hung was not convinced with SCS's response. He considered that if the Administration saw a justified need for enhancing the salaries and conditions of service of the disciplined services, the necessary additional funding should be provided by the Administration to implement relevant recommendations.

33. The Deputy Chairman pointed out that the GSRs had not been conducted for 20 years during which there had been great changes in Hong Kong society and public expectations of the disciplined services' performance had also been on the rise. She considered that to be fair to the disciplined services, implementation of recommendations involving additional financial implications should not be deferred for too long, and the suggestion that their implementation with retrospective effect should also be considered. She further requested SCS to give an undertaking that for the sake of fairness, any pay adjustment for directorate grades and that for non-directorate staff as a result of the GSRs, if approved by the Government, should be implemented with effect from the same date.

34. SCS said that suggestions had already been received in the context of the ongoing consultation exercise that those recommendations involving additional funding implications and whose implementation would be deferred should, when the economy had returned to a steady state, be implemented with retrospective effect. These suggestions, together with others to be collected by the end of the consultation exercise, would be carefully considered by the Administration. She explained that as the Administration would formulate its position only after completion of the consultation exercise, at this point in time she could not give any undertaking on what the Administration would or would not do.

35. Dr Margaret NG considered that the Administration should implement as soon as possible any adopted recommendations even though these might incur funding implications. She stressed the need to upkeep the disciplined services' morale and commitment which was important to maintaining social stability. She considered that the justification put forward by the Administration in putting up the "deferral" proposal, i.e. it had "to

concentrate its resources on tackling the problems and challenges brought about by the global financial crisis", was illogical. She disagreed that the Administration should resort to restraining necessary improvements from being made to the conditions of service of the disciplined services for the purpose of tackling challenges brought about by the global financial crisis.

36. In response, SCS reiterated the rationale behind the "deferral" proposal she had made upon the release of the GSR reports. She added that she had also taken into account public opinions in putting forward the "deferral" proposal.

37. The Chairman considered that the Government had set a very bad example in using the financial crisis as an excuse to defer making improvements to civil servants' pay and conditions of service. SCS pointed out that in fact, various sectors had been hard hit by the global financial crisis and the Government recently had to seek approval from the Legislative Council to provide funding relief to them.

Conditioned hours of work

38. Ms LI Fung-ying highlighted the difficulty in achieving the three pre-requisites for shortening conditioned hours of work, namely, cost neutrality, no additional staffing requirement, and no reduction of service to the public, given that the implementation of the efficiency enhancement programme in the early 2000s had already reduced the manpower resources of various disciplined services departments to a very stringent level. Pointing out that the entry requirements of various disciplined service grades were similar, Ms LI considered it unfair that discrepancies existed in the pay scales and conditioned hours of work amongst the disciplined services and suggested that standardization might be required.

39. SCS pointed out that the pay and conditions of service of civil servants were set based on, amongst other things, their conditioned hours of service. She noted that as SCDS's Report had offered views and recommendations concerning conditioned hours of work, she would carefully study the recommendations as well as stakeholders' views received during the consultation period.

40. The Deputy Chairman opined that the Police Force's success in 1998 in shortening their conditioned hours of work with the three pre-requisites met should not be used as an example for all other disciplined services to follow because of differences in circumstances. She pointed out that with a large staff establishment and command of more substantial financial and manpower resources, the Police Force had greater scope of resource redeployment. She urged the Administration to allocate additional resources for relevant disciplined service departments to enable them to shorten conditioned hours of

work without having to meet the three pre-requisites.

41. In response, SCS clarified that the Government did not have a policy that the conditioned hours of work for any service grade could be altered provided that the three pre-requisites be met. She said that the three pre-requisites had been proposed by SCDS in the context of the GSR of the disciplined services and they were made based on the experience of the Police Force in 1990s. She added that SCDS's view on the three pre-requisites would also be covered in the consultation exercise.

42. The Chairman requested SCS to further explain the Administration's position over staff's request for shortening their conditioned hours of work. In response, SCS confirmed that no Heads of Grade and Department could unilaterally shorten the conditioned hours of work for any grade even if the three pre-requisites could be met. She reiterated that the pay and conditions of service of civil servants were set based on, amongst other things, their conditioned hours of service. As the conditioned hours of work were an important component of the terms and conditions of employment, their revision could not be made without a corresponding review of other terms and conditions of employment.

Way forward

43. The Chairman considered that the deputations had clearly expressed the view that the staff consultation conducted by SCDS was a sham and the GSR had also failed to address their concerns. They considered that in contrast to the Rennie Committee's Report, which had been written after thoroughly consulting staff and considering their views, SCDS's Report seemed to have been drawn up in haste. The Chairman said that as the deputations had pointed out, SCDS's Report had failed to respond to their strong demands for, e.g. extension of through scale arrangement to certain disciplined services, review of pay structure and discrepancies in pay scales, and shortening of conditioned hours of work.

44. The Chairman requested SCS to clarify whether the Administration in the end would simply accept or reject the recommendations contained in the GSR reports, or whether it would, after considering the views received in the consultation exercise, come up with other new proposals taking into account staff's views and comments. SCS reiterated that she had no preconceived position on the GSR reports, and would not preclude the possibility of the Administration's making any recommendation in the light of the consultation outcome. The Chairman said that the Panel would continue to monitor this subject and requested the Administration to report back to the Panel on the outcome of the consultation exercise after its conclusion at the end of February 2009.

V Entry system for the civil service

- (LC Paper No. CB(1)542/08-09(09) — Administration's paper on entry system for the civil service
- LC Paper No. CB(1)562/08-09 — Background brief prepared by the Legislative Council Secretariat)

45. Mr WONG Kwok-hing pointed out that many civil service staff unions/associations were strongly dissatisfied with the "3+3" entry system. He also considered it unjustified to take as long as six years to assess a staff member's suitability for appointment on permanent terms. He considered that the "3+3" entry system was not conducive to attracting and retaining quality staff. He urged the Administration to abolish the system to avoid setting a bad example for the private sector. He strongly criticized the system which in his view was demoralizing and exerted great pressure on the staff. Ms LI Fung-ying and the Deputy Chairman echoed Mr WONG's views and they considered that the new entry system would greatly facilitate dismissal of civil servants during economic downturn.

46. SCS pointed out that the Administration had decided to adopt the new civil service entry system in 2000 after careful deliberation and thorough consultations including with the Panel. She explained that under the system, the staff concerned would be considered for appointment on permanent terms if the management was satisfied that there were long-term service needs for the posts concerned and if the staff concerned had demonstrated suitability for appointment on a long-term basis. SCS further said that it might not be appropriate to compare the civil service entry system with that in the private sector, as the latter did not have employment on permanent terms like in the Government.

47. SCS further invited members to note the breakdown of the civil service recruitment and resignation statistics in the years of 1998 and 2008 set out in the Administration's paper and pointed out that there was no evidence suggestive of any adverse impact of the "3+3" entry system on the recruitment and retention of civil servants. However, the Administration would continue to closely monitor the overall appointment of civil servants to gather more information for analysis because, with the general open recruitment freeze for the civil service from 2000 to 2007, the recruitment/resignation statistics gathered only reflected the situation for most grades for one to two years.

48. Mr WONG Kwok-hing pointed out that a bus company had already copied the "3+3" entry system and changed to recruit bus captains on agreement terms for a duration of one or two years, instead of permanent terms as the company used to offer in the past.

49. Ms LI Fung-ying also questioned the need to take six years to assess a staff member's suitability for appointment on permanent terms. She pointed out that before the introduction of the new entry system in June 2000, the then entry system had also managed to ensure that individuals of good quality were recruited to join the civil service as the Hong Kong civil service had all along been recognized for its good quality and high professional standard.

50. SCS explained that the Administration was of the view that a three-year probation period for assessment of basic suitability followed by a three-year agreement to confirm the longer term potential and attributes of a civil servant was commensurate with the security of tenure and career development offered by subsequent appointment on permanent terms. The arrangement also helped to ensure that only candidates with qualities suited for civil service jobs were retained in the service.

51. The Deputy Chairman asked how much longer the Administration would require to ascertain the impact of the "3+3" entry system on recruitment and retention of civil servants before deciding whether to introduce any change to the system. SCS reiterated that given the general open recruitment freeze for the civil service from 2000 to April 2007 (except for a short period of time in 2002), the recruitment/resignation statistics gathered were limited and only reflected the situation for most grades for one to two years. Although the statistics had not shown a civil service recruitment/retention problem, it was still necessary for the Administration to continue to keep a close watch on and assess the situation for some more time. If any adverse impact was detected, she would consider the need to review the system.

52. The Deputy Chairman considered that instead of introducing such a long period of probation/agreement period, the Administration should consider strengthening existing performance appraisal system which could also serve the purpose of evaluating the attributes, potential and ability of a civil servant. While agreeing that the performance appraisal system could serve such purposes, SCS explained that the introduction of the "3+3" entry system was necessary not just to allow the management longer time to observe a new appointee's suitability for appointment on a long-term basis, but also to allow the Administration to ascertain whether there were long-term service needs for the posts concerned in areas where the demand for service fluctuated from time to time.

53. Dr PAN Pey-chyou said that while he agreed that a three-year probation period was necessary to effect quality control in the civil service, he considered that a "3+3" probation/agreement period was excessively long and not conducive to attracting and retaining quality staff. He pointed out that the security of tenure offered by appointment on permanent terms was almost the main attractiveness of the civil service which, unlike the private sector, offered

no bonus payment. He also reminded the Administration that, in reviewing the "3+3" entry system, the Administration should also take into consideration the damage it had caused to the Government's image as an employer. He suggested that the Administration should shorten the "3+3" probation/agreement period by half.

54. In response, SCS reiterated that the purpose of introducing the "3+3" entry system was to achieve a balance between offering job security to newly recruited civil servants and quality assurance for the civil service. She assured members that the Administration would continue to monitor the overall appointment and unnatural wastage of civil servants for a longer period of time to collect objective information and data, and consider whether there was any need to modify the system. She added that the Administration would consider a systemic change to the "3+3" entry system should circumstances warrant.

55. Mr LEUNG Kwok-hung said that the "3+3" entry system was demoralizing and not conducive to staff development. He opined that a civil servant recruited under the new entry system might be less willing to develop himself to strive for a higher standard of performance due to the lack of job security than one on the permanent establishment. He considered that the "3+3" entry system should be reviewed as the civil service emphasized devotion and commitment from staff for building up a high team-work spirit.

56. Mr CHEUNG Man-kwong pointed out that there were 178 government school teachers still employed on agreement terms after they had completed the "3+3" probation/agreement terms. Moreover, with a decline in the number of permanent teaching positions, some government schools had in recent years started to recruit teachers on a one-year agreement. Pointing out that new recruits joining the disciplined services grades could be considered for appointment on permanent terms after satisfactory completion of the three-year probationary period, Mr CHEUNG considered these different arrangements extremely unfair and were tantamount to discrimination to the education grade.

57. SCS explained that the Education Bureau (EDB) was not able to offer new permanent terms to all teachers concerned as there was a projected surplus of teaching staff in government schools in the longer term. SCS said that EDB had continued to employ on renewed agreement terms those teachers who could not be offered permanent terms. Those teachers might be offered permanent terms when EDB had ascertained whether adequate permanent posts were available after considering all relevant factors including the retirement of government school teachers and new education initiatives. In response to the Chairman's enquiry, SCS said that there was no undertaking given in the relevant employment contracts that those teachers would be offered permanent terms after they had completed the "3+3" period of service.

58. As to the recent employment of government school teachers on one-year agreement, SCS said that those teachers were employed on non-civil service contract (NCSC) terms to meet short-term operational needs. Mr CHEUNG Man-kwong pointed out that some of them were in fact offered one-year agreement again and again upon contract expiry each time and they had no idea when they would be offered permanent terms. The Chairman suggested that as the employment of NCSC staff would be discussed at the next meeting, Mr CHEUNG could further raise his concerns then.

59. Mr CHEUNG Man-kwong reiterated his view that it was unfair to those 178 government school teachers as their prospect of employment on permanent terms was subject to one more condition, namely the retirement of existing staff on the permanent establishment, while this was not the case for the other civil servants. He urged the Administration to rectify the problem.

60. Mr IP Wai-ming considered that the basic suitability and attributes as well as the longer term potential of a civil servant could be assessed at the same time during the three-year probation period. He queried that if a "3+3" period was really necessary for a thorough assessment of a civil servant of civilian grades, why the same was not required in respect of new recruits joining the disciplined services grades. The Chairman considered that the different arrangement was attributed to the fact that the Administration attached greater importance to maintaining the staff morale of the disciplined services than that of the civilian grades and it was unfair to the latter.

61. SCS explained that the rationale for the new entry system was that the assessments by the management on a new appointee during the probation and the agreement periods focused on different aspects. While a three-year probationary period would be able to assess the suitability at the basic ranks, a further three-year period of fixed-term appointment served to confirm the longer term potential and attributes of a civil servant for appointment on permanent terms.

62. SCS further explained that approval had been given for new recruits joining all disciplined services grades to be offered appointment on permanent terms after satisfactory completion of the three-year probation period because the new recruits to such grades were required to receive induction training for at least six months and which often included residential training. Such lengthy and close-quarter training enabled the management to assess their suitability for appointment on permanent terms whereas new recruits to civilian grades were not subject to such training.

63. In response to Mr IP Wai-ming's enquiry, SCS said that as set out in paragraph 6 of the Administration's paper, up to March 2008, among the 13 980 civil servants who had been appointed under the new entry system since its implementation, 37 (or 0.3%) had been made to leave the civil service due to

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unsatisfactory performance/conduct. The Chairman considered that the small number clearly showed that the new entry system had only achieved very limited effect which was not worth the efforts made to introduce the system and the associated controversy. At the Chairman's request, SCS agreed to provide information on how many of the 37 cases involved termination of service during the probation and the agreement periods respectively, and non-offer of further employment upon completion of the probation and the agreement periods respectively.

VI Implementation of Five-day Week in the Government

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| (LC Paper No. CB(1)542/08-09(10) | — Administration's paper on implementation of a five-day week in the Government |
| LC Paper No. CB(1)359/08-09(01) | — Submission on staffing shortage and implementation of five-day week in public libraries from a group of public library staff |
| LC Paper No. CB(1)563/08-09 | — Background brief prepared by the Legislative Council Secretariat) |

64. Pointing out that there were still some 47 000 civil servants who had yet to enjoy a five-day week work pattern, Ms LI Fung-ying enquired about the Administration's plan to address their aspiration for working on a five-day week, so as to alleviate any discontent that might arise from differences in working hours among civil servants. She also expressed concern that differences in this regard might give rise to complaints about different pay for the same job, and affect civil servants' morale and quality of government service.

65. In response, SCS clarified that the conditioned hours of work of civil servants would not be affected by the implementation of the five-day week in the Government. As regards the 47 000 civil servants, SCS said that the concerned departments had been exploring ways to migrate more staff as far as possible to the five-day week work pattern, such as through adjusting roster arrangements. However, given the need to comply with the four basic principles for implementing the five-day week initiative as detailed in the Administration's paper, some civil servants inevitably could not work on a five-day week pattern, such as those engaged in the provision of services that continued to operate on Saturdays/Sundays (e.g. library services). In fact, some civil servants preferred a six-day week work pattern because they did not want to work longer hours on weekdays to make up for not working on Saturdays.

66. SCS further said that due to the implementation of the Civil Service Reforms, the conditions of service, such as retirement benefits and number of days of annual leave, applicable to civil servants recruited at different times were different but that should not be regarded as offer of different pay for the same job.

67. The Chairman opined that the four basic principles should be reviewed in order not to hinder the implementation of the five-day week initiative to promote family friendliness and to create more jobs. Dr PAN Pey-chyou suggested that flexibility should be exercised by the Administration in implementing the five-day week initiative under the four basic principles. SCS responded that she did not see a need for the Administration to review the four basic principles at the present stage. She clarified that creation of additional jobs was never the objective of implementing the five-day week initiative. She pointed out that the simplest way to create jobs would be by shortening the conditioned hours of work of civil servants, which would, however, entail the need for review of and changes to the pay and conditions of service of staff concerned.

68. Referring to the Annex to the Administration's paper, Ms LI Fung-ying welcomed the Administration's decision to earmark additional resources for the Leisure and Cultural Services Department to create 17 Assistant Librarian and 58 Assistant Clerical Officer posts to absorb the extra workload arising from the extension of opening hours of public libraries. In reply to Ms LI's enquiry, SCS confirmed that the additional resources would be made available when the opening hours of public libraries were extended on 1 April 2009, so as to facilitate the filling of the created posts at more or less the same time. If the posts could not be filled in time due to recruitment formalities, the extra workload arising from the extension of opening hours would be handled by arranging existing library staff to work overtime or redeploying staff from other departments.

69. There being no other business, the meeting ended at 1:15 pm.

Council Business Division 1

Legislative Council Secretariat

25 March 2009