

For Discussion on
17 January 2011

Legislative Council Panel on Public Service

An Overview of the Civil Service: Establishment, Strength, Retirement, Resignation and Age Profile

Purpose

This paper provides an update on the overall establishment, strength, retirement, resignation and age profile situation of the Civil Service¹.

Establishment and Strength

(a) Overall

2. Over the years, the size of the Civil Service has fluctuated largely according to changes in economic development, increasing community expectations and demand for public services, institutional (e.g. establishment of the Hospital Authority) and productivity reforms. The establishment (namely the number of posts) and strength (namely the number of serving civil servants) position of the Civil Service since 1985-86 is shown in **Annex A**. The strength is invariably smaller than the establishment, mainly because of the lead-time required to conduct recruitment exercises to fill vacancies arising from wastage.

3. As shown in **Annex A**, from its peak of around 200 000 posts in 1990-91, the Civil Service establishment had remained at around 186 000 to 196 000 in the rest of the 1990s, while the number of civil servants

¹ For the purpose of this paper, the Civil Service does not include judges and judicial officers, locally-engaged staff in Mainland and overseas Economics and Trade Offices and officers in the Independent Commission Against Corruption.

ranged from 180 000 to 190 000. The turn of the millennium witnessed a down-sizing of the Civil Service through enhanced efficiency drives, the two general voluntary retirement (VR) schemes in 2000 and 2003, the targeted VR schemes for specific grades, and the six years of general open recruitment freeze which ended in 2007-08 (namely from 1999-00 to 2006-2007 save for 2001-02 and 2002-03)². From 1999-00 to 2006-07, over 38 000 civil servants left the Government through normal retirement, VR and resignation, while slightly more than 11 000 civil servants were recruited. At end-March 2007, the establishment and strength of the Civil Service stood at around 159 400 and 153 800 respectively.

4. Since 2007-08, the general open recruitment freeze has been lifted in phases and the Civil Service has grown modestly to meet the demand for new and improved services to the public. In the three years of 2007-08 to 2009-10, around 12 000 left the Government while over 16 000 new civil servants were recruited. As at 1 April 2010, the Civil Service establishment and strength stood at 162 832 and 156 573 respectively, representing an aggregate increase of 3 431 or 2.2% for establishment and an aggregate increase of 2 768 or 1.8% for strength since end-March 2007. The number of civil servants on 1 April 2010 was about 2.2% of the population of Hong Kong (estimated at 7.06 million at mid 2010) and about 4.3% of the total work force (estimated at 3.68 million at mid 2010). These percentages have remained stable since 2006-07.

(b) Directorate and Non-directorate

5. A breakdown of the Civil Service establishment and strength by directorate and non-directorate levels over the last 25 years is also provided in **Annex A**. In brief, over 99% of both establishment and strength were at the non-directorate level. As at 1 April 2010, there were 1 347 directorate posts and 1 262 directorate civil servants, accounting for 0.8% of the total Civil Service establishment and strength. Over the last three years (from 2007-08 to 2009-10), the directorate establishment has grown by 1.4%, compared to an increase of 2.2% for the non-directorate establishment.

² Where there were strong operational needs, exceptional approval had been given for a limited number of grades to conduct open recruitment during the period of open recruitment freeze.

Retirement and Resignation

(a) Retirement

6. The normal retirement ages of civil servants are as follows –
- (i) 60 for civilian civil servants and 55/57³ for disciplined grades civil servants recruited on or after 1 July 1987 and are on the New Pension Scheme (NPS) or the Civil Service Provident Fund Scheme;
 - (ii) 60 for civilian civil servants and 55/57³ for disciplined grades civil servants recruited before July 1987 and have opted to switch from the Old Pension Scheme (OPS) to the NPS; and
 - (iii) 55 for civilian civil servants and disciplined grades civil servants recruited before July 1987 and remain on the OPS.

7. Civilian civil servants on the OPS and disciplined grades civil servants originally on the OPS but have opted for the NPS (other than those directorate and senior ranks of disciplined grades civil servants) may apply for early retirement between the ages of 50 and 54. Civilian civil servants originally on the OPS but have opted for the NPS may apply for early retirement between the ages of 55 to 60, while those in the disciplined ranks whose prescribed retirement age is 57 may apply for early retirement between the ages of 55 to 57.

8. The yearly retirement position of the Civil Service over the last 25 years is shown in **Annex B**. Briefly, the number of civil servants retiring has increased steadily from around 1 000 (or 0.6% of the strength) in 1985-86 to the peak of around 4 000 (or 2.2%) in 1996-97. It then dropped sharply in the following two years, and picked up steadily around the turn of the century before peaking at around 8 800 (or 5.1%) in 2001-02, largely as a result of the first general VR scheme. The number

³ The prescribed retirement age under the New Pension Scheme (NPS) for all senior ranks and rank and file grades in the disciplined services departments is 55 whereas that for some directorate ranks as specified in the Schedule to the Pension Benefits Ordinance is 57.

of retirements has risen from around 2 600 (or 1.7%) in 2005-06 to around 3 500 (or 2.2%) in 2009-10.

9. A breakdown of the age of civil servants at the time of retirement over the last 25 years is provided in **Annex C**. Briefly, civil servants retiring before the age of 55 has decreased from 33.9% of the total number of retirees in 1985-86 to 16.8% in 2006-07, 14.9% in 2007-08, 10.6% in 2008-09, and 8.7% in 2009-10. We expect to see a continuation of the declining trend, which is in line with a healthier general population and a longer working life of the local workforce.

10. We set out in **Annex D** the number of civil servants projected to retire in the next 25 years, on the assumption that they will only retire upon reaching their applicable normal retirement age. Briefly, we expect that the number of retirees to increase until 2019-20, from the annual average of around 3 500 for the five-year period ended 2009-10 to around 4 800 in the five-year period ending 2014-15 and around 6 800 in the next five-year period ending 2019-20. The number will decline moderately to around 6 500 in the following five-year period ending 2024-25, and the declining trend will continue thereafter. This phenomenon is largely due to the significant growth of the Civil Service in the 1980s, when those recruited will be approach their normal retirement age.

(b) Resignation

11. Retirement is the primary reason for departure of civil servants from the Service. Resignation only accounts for the departure of a small number of civil servants. The annual resignation position of the Civil Service over the last 25 years is shown in **Annex B**. Briefly, the number of resignees decreased sharply from the peak of around 7 900 (or 4.2% of the strength of the Civil Service) in 1989-90 to around 1 000 (or 0.5%) in 1998-99. It has stabilised at below 0.5% of the strength of the Civil Service over the last decade or so.

Age Profile

12. The age profile of the Civil Service over the last 25 years is

illustrated at **Annex E**. The relative aging profile was mainly attributed to the expansion of the Service in the 1980s, the introduction of the NPS in 1987 under which the normal retirement age is 60 (instead of 55 under the OPS), and the Administration's efforts in downsizing the Service around the turn of the century. The age profile of the Civil Service has continued to mirror that of the community and the working population as a whole, as shown in **Annex F**.

13. In 2006-07, around two thirds of the serving civil servants were in the age group of 40-59, while the remaining one-third was in the age group of 20-39. While the number of civil servants in the age group of 40-59 remained at around two thirds of the total strength in 2009-10, we have been recruiting more young people into the Service (please refer to **Annex G**). In the three years since the lifting of the general open recruitment freeze (i.e. 2007-08 to 2009-10), the largest cohort of recruits belonged to the age group of 20-29. It accounted for 64% of all intake in 2009-10. The second largest cohort belonged to the age group of 30-39 and accounted for 27% of all intake in 2009-10. The number of civil servants of the age group of 20-29 has thus increased from 7.1% in 2006-07 of the total strength of the Civil Service to 8.9% in 2009-10. We expect this trend to continue in the years ahead which, with the larger number of anticipated retirements, would moderate the aging profile of the Civil Service.

Succession and Training

14. With the increasing number of civil servants retiring in the next decade, it is critically important for the Administration to have in place rigorous succession planning measures. Secretary for the Civil Service regularly meets with heads of bureaux and departments to examine the succession situation in individual departments and grades, with a view to early identification of any succession problems so that timely remedial actions can be taken.

15. In tandem with the succession planning efforts, the Administration has also put in place systematic training and development programmes for civil servants to enrich their exposure, to enable them to

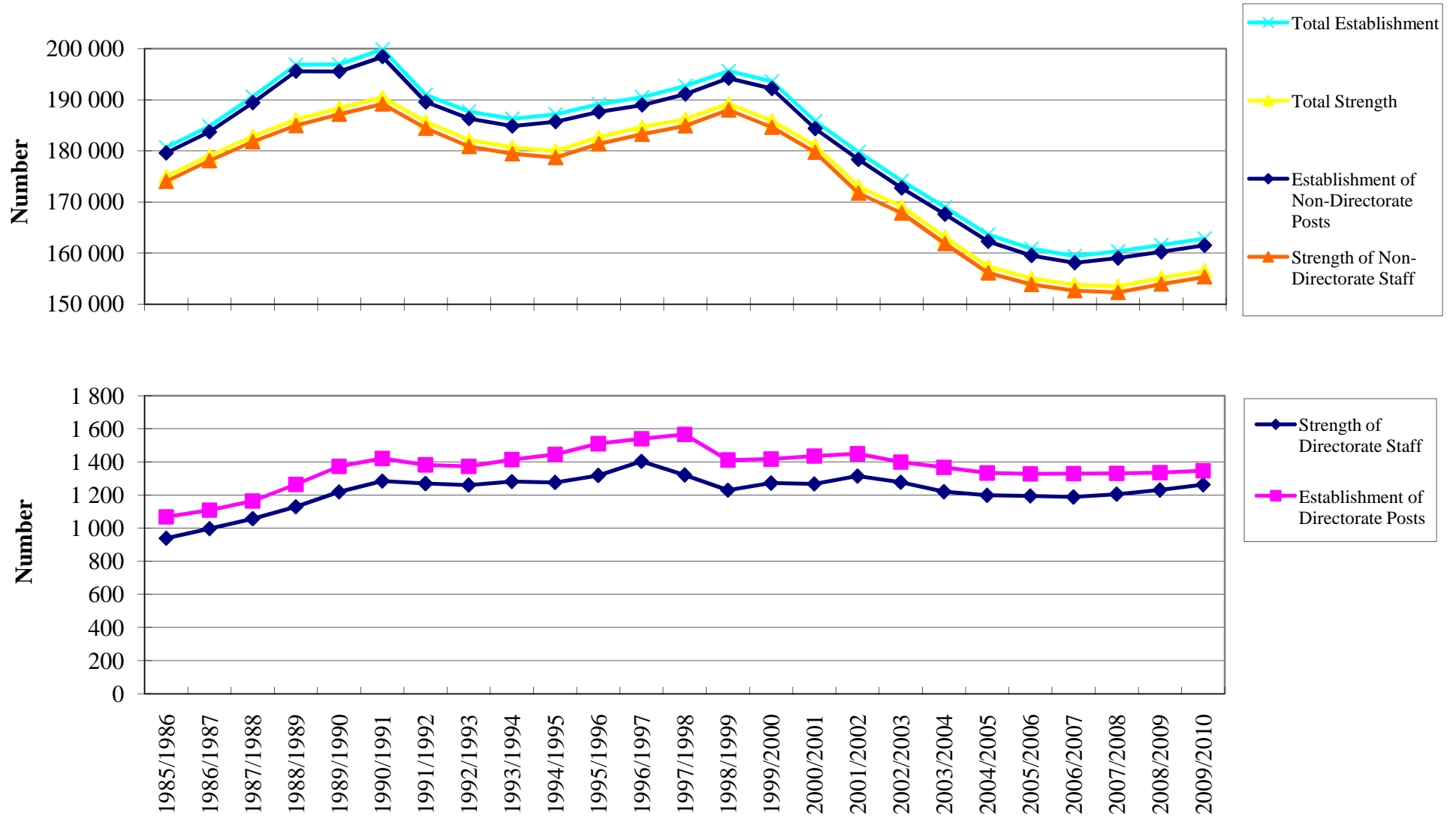
acquire the necessary knowledge and skills for the discharge of their responsibilities, and to prepare them for higher responsibilities. Bureaux and departments will continue to provide training to both new recruits as well as serving civil servants at all levels and, in particular, those at the middle level with potential for advancement. In addition to the 'in-house' training provided by individual bureaux and departments, the Civil Service Training and Development Institute of the Civil Service Bureau has put in place a structured training and development framework for officers with potential for advancement, covering public policy, management, leadership development, national studies and the Basic Law.

Advice Sought

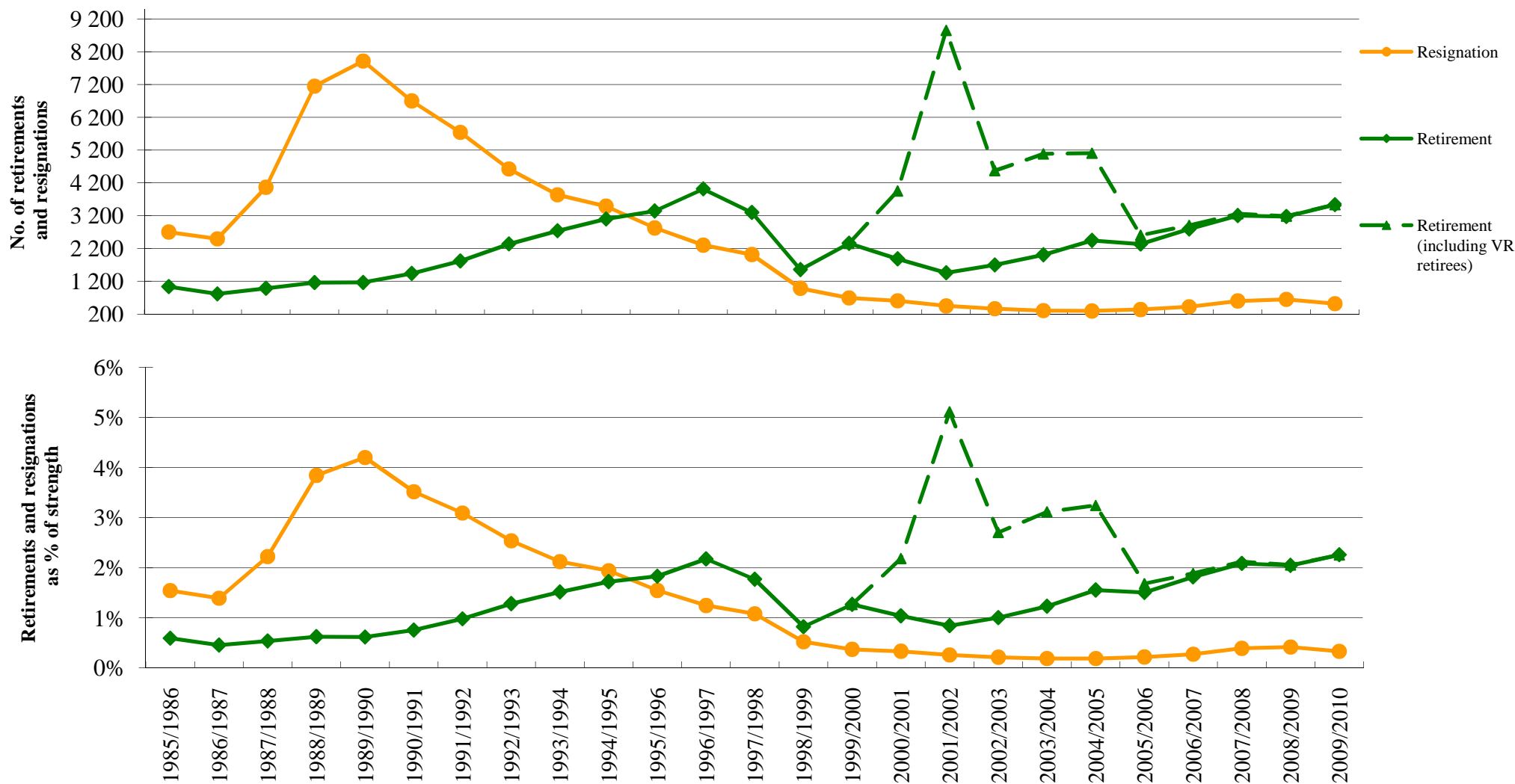
16. Members are invited to note this paper.

Civil Service Bureau
January 2011

Establishment and Strength of the Civil Service from 1985-86 to 2009-10

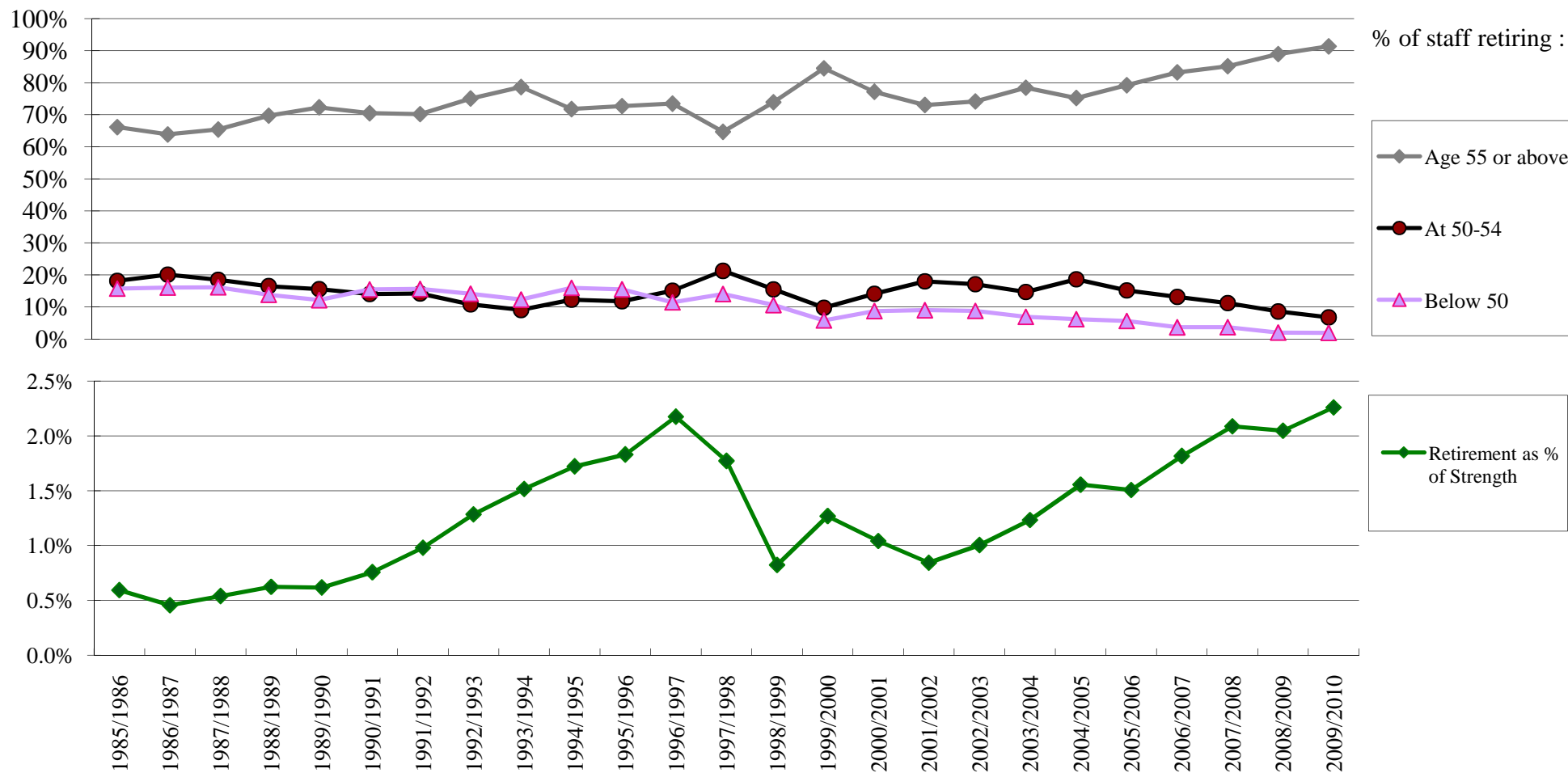


Retirement and Resignation Position of the Civil Service from 1985-86 to 2009-10



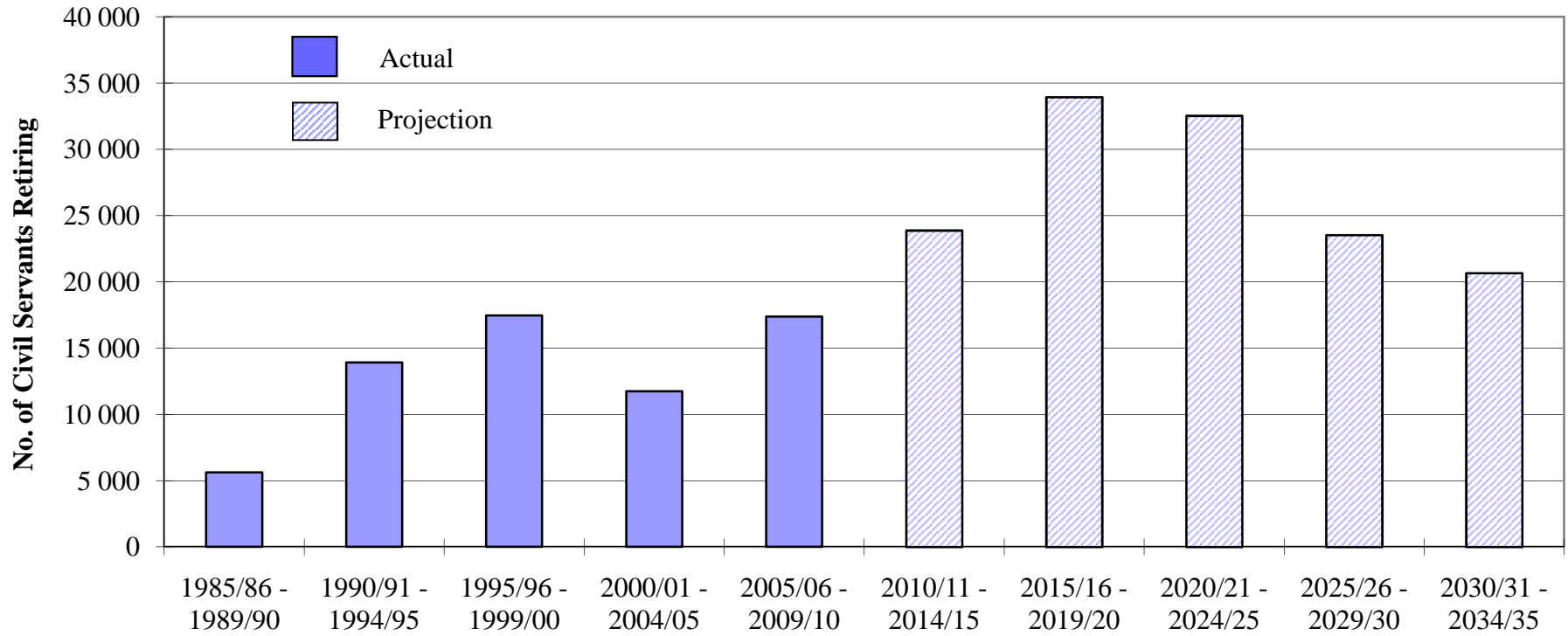
Note: Retirement in this chart refers to normal and early retirement on attaining the required age.

Retirement of Civil Servants from 1985-86 to 2009-10



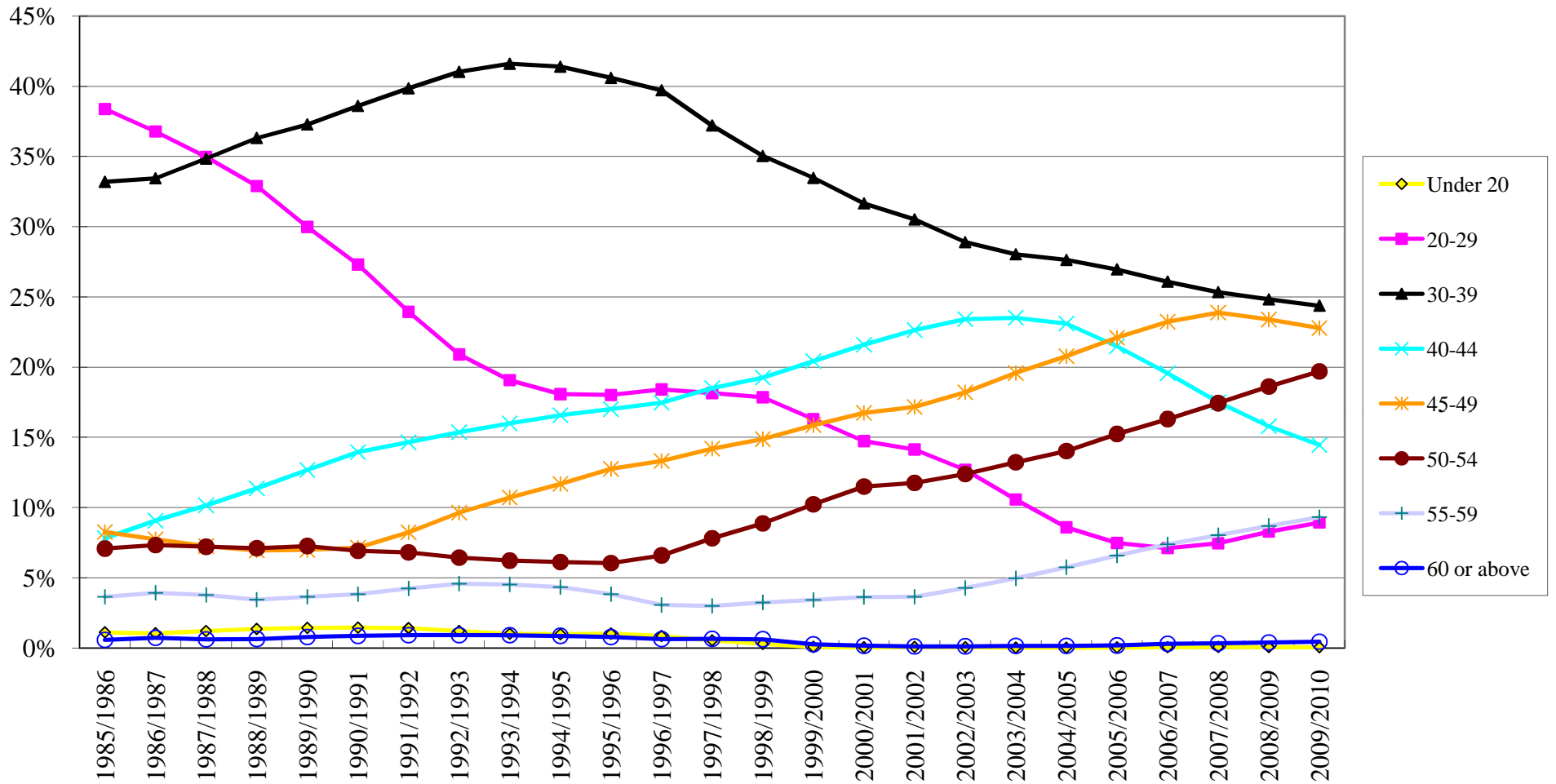
Note: Retirement in this chart refers to normal and early retirement.

Projected Number of Civil Servants Retiring in the Next 25 Years

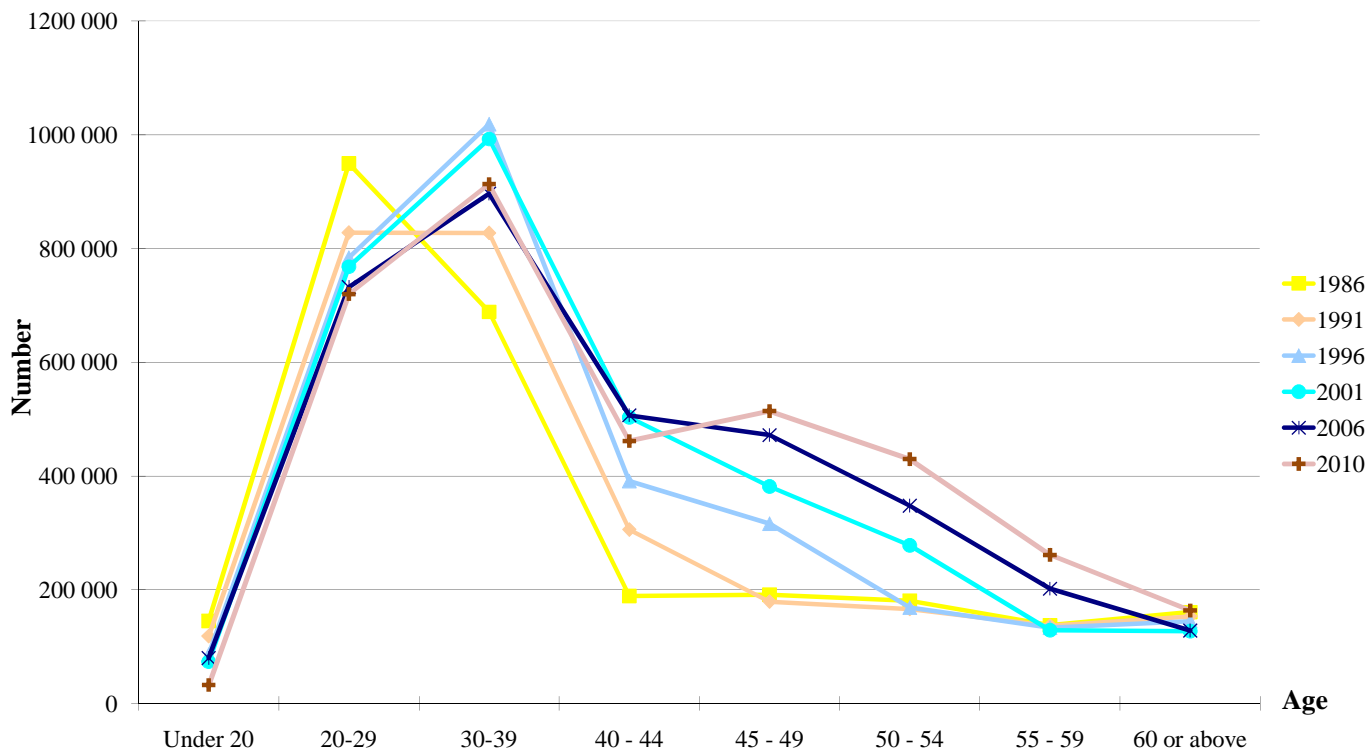


Note : Projection made on the basis of age profile of the Civil Service as at 31 March 2010 and staff leaving on normal retirement.

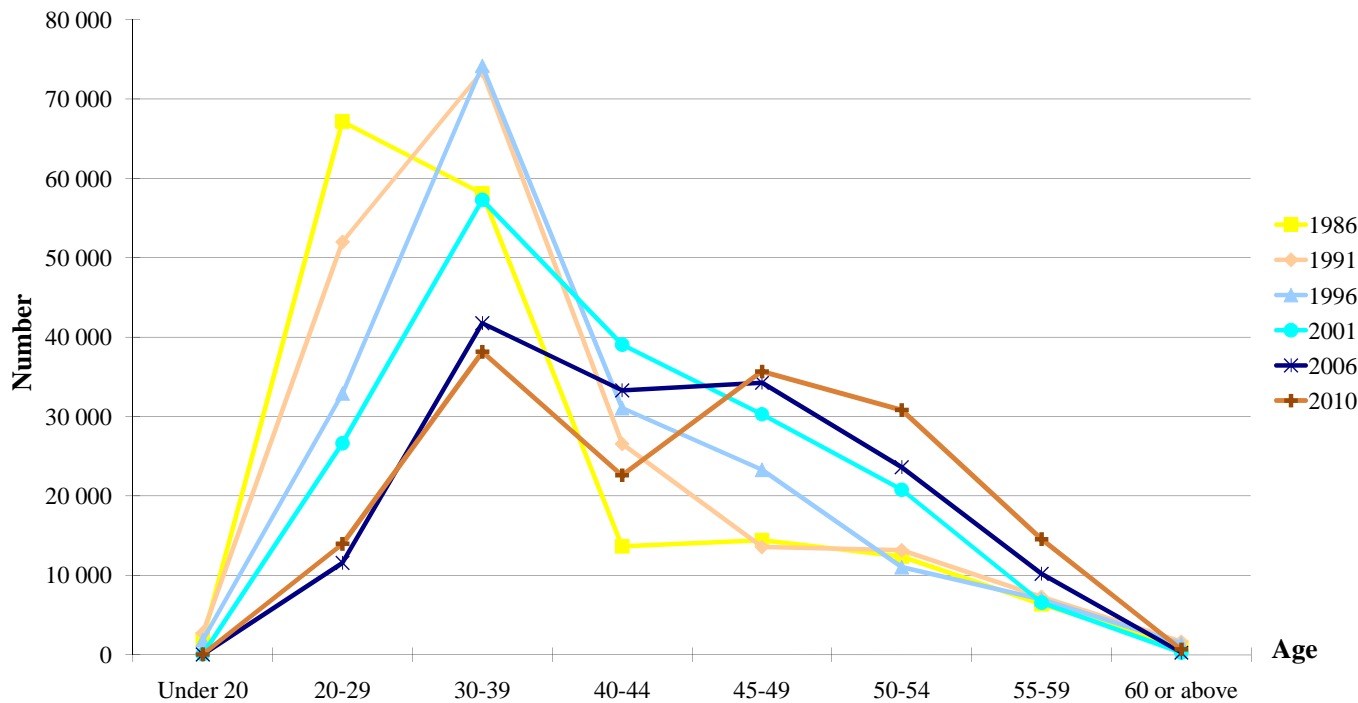
Civil Servants by Age Groups from 1985-86 to 2009-10



Age Profile of the Hong Kong Working Population



Age Profile of the Civil Service



**Intake of Civil Servants by Age Groups
from 1996-97 to 2009-10**

