立法會 Legislative Council

LC Paper No. CB(4)628/12-13 (These minutes have been seen by the Administration)

Ref: CB4/PL/PS

Panel on Public Service

Minutes of meeting held on Monday, 18 March 2013, at 10:45 am in Conference Room 3 of the Legislative Council Complex

Members present: Hon POON Siu-ping, BBS, MH (Deputy Chairman)

Hon LEE Cheuk-yan

Hon Emily LAU Wai-hing, JP Hon TAM Yiu-chung, GBS, JP

Hon LEUNG Kwok-hung

Hon LEUNG Che-cheung, BBS, MH, JP

Hon KWOK Wai-keung Hon SIN Chung-kai, SBS, JP

Hon IP Kin-yuen

Hon Martin LIAO Cheung-kong, JP

Hon TANG Ka-piu

Member attending: Hon WONG Kwok-hing, MH

Members absent: Hon Mrs Regina IP LAU Suk-yee, GBS, JP (Chairman)

Dr Hon LEUNG Ka-lau

Hon Claudia MO

Hon Tony TSE Wai-chuen

Public Officers attending

: Agenda item III

Mr Paul TANG, JP

Secretary for the Civil Service

Mr Raymond H C WONG, JP

Permanent Secretary for the Civil Service

Mr Eddie MAK, JP

Deputy Secretary for the Civil Service 1

Ms May CHAN, JP

Deputy Secretary for the Civil Service 2

Ms Ivy LAW

Acting Deputy Secretary for the Civil Service 3

Mr Peter CHAN, JP

Director of General Grades

Civil Service Bureau

Agenda item IV

Mr Paul TANG, JP

Secretary for the Civil Service

Mr Raymond H C WONG, JP

Permanent Secretary for the Civil Service

Ms May CHAN, JP

Deputy Secretary for the Civil Service 2

Clerk in attendance: Ms Anita SIT

Chief Council Secretary (4)1

Staff in attendance: Ms Shirley CHAN

Senior Council Secretary (4)1

Ms Angela CHU

Council Secretary (4)1

Ms LAM Yuen-kwan

Legislative Assistant (4)1

The Deputy Chairman said that, as the Chairman was unable to attend the meeting, he would chair the meeting.

I. Confirmation of minutes

(LC Paper No. CB(4)474/12-13 -- Minutes of meeting on 21 January 2013)

2. The minutes of the meeting held on 21 January 2013 were confirmed.

II. Date of next meeting and items for discussion

(LC Paper No. CB(4)465/12-13(01) -- List of outstanding items for discussion

LC Paper No. CB(4)465/12-13(02) -- List of follow-up actions)

- 3. The Deputy Chairman informed members that the next regular Panel meeting would be held on 15 April 2013, and the Administration proposed that the following two items which had been included in the Panel's "List of outstanding items for discussion" be discussed at the next meeting-
 - (a) 2012 Starting Salaries Survey : application to the civil service; and
 - (b) Employment of ethnic minorities in the civil service.
- 4. Noting that the Administration would update the Panel on the latest situation of the employment of persons with disabilities ("PwDs") in the civil service at a future meeting, Mr Martin LIAO suggested discussing the employment of ethnic minorities and PwDs in the civil service under one agenda item. The Secretary for the Civil Service ("SCS") explained that the issues with regard to ethnic minorities and PwDs were different (e.g. the main concern raised by some ethnic minorities was about their Chinese language proficiency). It would therefore be more appropriate to discuss the employment of ethnic minorities and PwDs in the civil service under two separate agenda items.

- 5. <u>Ms Emily LAU</u> said that she had no objection to discussing the employment of ethnic minorities and PwDs in the civil service under two separate agenda items. Pointing out that the Panel's purview covered not only the civil service but also government-funded public bodies, <u>Ms LAU</u> requested that the scope of discussion on both items be expanded to cover government-funded public bodies.
- 6. <u>SCS</u> said that the employment of ethnic minorities and PwDs by government-funded public bodies was not within the purview of the Civil Service Bureau ("CSB") and the subject matter would be more appropriately taken up by relevant policy bureaux and Panels of the Legislative Council ("LegCo"). That said, CSB would try to gather, as far as practicable, some information from relevant bureaux and departments for members' reference.
- 7. <u>Ms Emily LAU</u> said that as the first step, the information to be provided by CSB should indicate whether those public bodies had any policy regarding the employment of these people and the relevant figures. It could then be further considered whether it was more appropriate to follow up the related issues in another Panel of LegCo.
- 8. The Deputy Chairman referred members to a letter dated 15 March 2013 from Mr LEE Cheuk-yan tabled at the meeting. He said that Mr LEE requested the Panel to discuss issues relating to the use of agency workers by government bureaux/departments ("B/Ds") at the next Panel meeting. SCS advised that Mr LEE's proposal involved the use of T-contract staff which was under the purview of the Office of the Government Chief Information Officer ("OGCIO"). He suggested and members agreed that CSB would liaise with OGCIO and confirm the discussion date of this subject after the meeting.

(*Post-meeting note*: The above letter was issued to members on 19 March 2013 after the meeting vide LC Paper No. CB(4)502/12-13(01)).

III. Civil service-related issues featured in the 2013-2014 Budget

(LC Paper No. CB(4)465/12-13(03) -- Paper provided by the Administration)

- 9. <u>SCS</u> briefed members on the civil service-related issues featured in the 2013-14 Budget by highlighting the salient points of the discussion paper. He said that the 2013-14 Draft Estimates of Expenditure provided for 1 708 additional civil service posts in various government bureaux and departments, representing roughly an increase of 1% in the civil service establishment. Of the new posts proposed to be created, 460 posts were for replacing non-civil service contract ("NCSC") positions which had long-term service needs and could be performed by civil servants.
- 10. With regard to the provision of medical and dental services for civil service eligible persons ("CSEPs") at government families clinics and dental clinics, <u>SCS</u> said that an allocation of \$627 million was proposed, representing a 7.8% increase over the 2012-13 revised estimate. In addition, \$420 million was proposed for the reimbursement of medical fees and hospital charges, which was 20% higher than the 2012-13 revised estimate.

Medical and dental benefits for CSEPs

11. Mr LIAO Cheung-kong referred to the information provided on the website of Civil Service Bureau regarding the giving out of priority discs to civil servants at general out-patient clinics ("GOPCs"), and noticed that there was considerable difference in the utilization of priority discs for Some GOPCs, like the Kwun Tong Jockey Club Health different GOPCs. Centre, had a utilization rate of less than 40%, while some other GOPCs such as Lam Tin Polyclinic had a utilization of over 100%. He asked if the Administration would consider reallocating the priority discs among different GOPCs to optimize their utilization. Deputy Secretary for the Civil Service 2 ("DSCS2") replied that the number of priority discs given out was demand-driven, and there had been on-going review on the utilization of priority discs of different GOPCs. Permanent Secretary for the Civil Service ("PSCS") added that in determination the allocation of priority discs to CSEPs, an important consideration was to strike an appropriate balance between meeting the service needs of the public and those of CSEPs. He considered that GOPCs were in the best position to decide the relevant arrangements, as they were knowledgeable of the service needs of the public and frontline operations of GOPCs.

Non-civil service contract staff

- Mr WONG Kwok-hing expressed support to the replacement of 460 NCSC positions by civil service posts in the coming financial year, but considered the number too small. He pointed out that there were still over 4 700 NCSC staff having been employed by the Government continuously for five years or more, and they were suffering from the "seven unfair treatments", viz. lower pay and the lack of fringe benefits, salary increments, medical benefits, promotion prospects, retirement protection and job security. He asked the Administration to provide a breakdown of the 460 NCSC positions by years of service of the NCSC staff concerned. He also asked the Administration to provide a clear indication on the replacement of NCSC positions by civil service posts for the coming years.
- 13. Mr LEE Cheuk-yan queried whether the 460 positions were part of the 4 000 NCSC positions that had been identified for replacement by civil service posts in the special review conducted in 2006. He also asked the Administration to provide a breakdown by B/Ds of the 1 708 additional civil service posts provided for in 2013-14 the Draft Estimates of Expenditure, and the respective numbers of additional disciplined service posts and civilian posts.
- 14. <u>SCS</u> clarified that the 460 NCSC positions to be replaced by civil service posts were additional NCSC positions identified for conversion subsequent to the 2006 review. He said that it was the Administration's aim to replace those NCSC positions that had long-term service needs and could be performed by civil servants by civil service posts. As the conversion process needed to be undertaken gradually, not all NCSC posts identified suitable for conversion were reflected in this year's Draft Estimates. <u>SCS</u> agreed to provide a breakdown of the 460 posts after the meeting, and would report to the Panel the latest employment situation of NCSC staff by the end of 2013. As to the 1 708 additional civil service posts, <u>SCS</u> advised that about 300 posts were disciplined service posts in the Fire Services Department and Immigration Department and majority of the remaining posts were civilian posts.

15. Mr TANG Ka-piu expressed concern over the employment of NCSC staff by B/Ds operating as trading funds, such as the Hong Kong Post ("PO"). He said that although PO had employed the largest number of NCSC staff, the 2013-14 Draft Estimates of Expenditure did not provide for any addition of civil service posts for PO. He criticized that

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departments operating as trading funds maintained their business at the expense of the well-being of NCSC staff in that the NCSC staff had to work long hours and were deprived of promotion prospects. He urged CSB to review the mode of operation of trading funds, and took the lead to expedite the conversion of NCSC positions into civil service posts, especially for those B/Ds who had employed a large number of NCSC staff. Mr KWOK Wai-keung echoed Mr TANG's concern and highlighted the alarming situation of overtime in PO where nearly 300 000 hours of overtime had been accrued. He urged the Administration to address the problem of overtime in PO and improve the remuneration of NCSC staff. He opined that the remuneration of NCSC staff should be on a par with their civil service counterparts, and they should be granted incremental credits.

- 16. <u>SCS</u> explained that CSB had regularly reviewed with B/Ds, including those operating as trading funds, their employment of NCSC staff, and had asked B/Ds to consider replacing NCSC positions by civil service posts where appropriate. He said that since B/Ds operating as trading funds had to ensure financial sustainability of their operations, these B/Ds should be provided with greater flexibility in employing NCSC staff to cope with business fluctuations. With regard to the overtime problem in PO, <u>SCS</u> said that the bureau responsible for overseeing the operation of PO was aware of the issue, and a mechanism was in place to alleviate the overtime situation and to clear the overtime by granting compensation leave to affected employees. As regards review on the "trading fund" mode of operation, <u>SCS</u> advised that it was outside the purview of CSB to undertake such review, but CSB would relay members' concerns to the relevant bureau for follow-up.
- 17. In respect of the remuneration of NCSC staff, <u>SCS</u> said that as the civil service and NCSC appointments were two different types of employment, it was inappropriate to make direct comparison between them. Having regard to the need to recruit and retain persons of suitable calibre, B/Ds might need to adjust the remuneration of NCSC staff so as to ensure the attractiveness of the jobs. Depending on circumstances, some NCSC staff might even enjoy a higher rate of increase in pay than their civil service counterparts.
- 18. <u>Mr TANG Ka-piu</u> did not subscribe to the Administration's explanations. He said that the "trading fund" mode of operation had adverse effects on staff morale and their work conditions, and that CSB had the responsibility to safeguard the well-being of all government employees. As regards the remuneration of NCSC staff, <u>Mr TANG</u> quoted the example

of some Community Work Organizers ("CWOs") employed on NCSC terms by Social Welfare Department, and said that CWOs had not had any pay increase for over 10 years. He urged CSB to consider taking over the oversight of the remuneration and employment benefits of NCSC staff from individual B/Ds. In reply, <u>SCS</u> said that CSB had promulgated guidelines to B/Ds on the engagement and management of NSCS staff. Since each B/D had its own specific operational and service needs, <u>SCS</u> considered it more appropriate for B/Ds to decide the remuneration and employment package of their NCSC staff. CSB would continue to work with B/Ds to ensure the proper implementation of the NCSC staff scheme.

Retirement age of civil servants

- 19. <u>Mr LEE Cheuk-yan</u> enquired whether the Administration would consider extending the retirement age of civil servants in face of the problem of ageing population in Hong Kong. He suggested that civil servants, upon their retirement, could be given an option to decide whether or not to continue their service in the Government. <u>Mr LEE</u> also suggested that the extension of retirement age be rolled out among entry ranks only, in order not to affect the promotion prospects of civil servants.
- 20. Mr TAM Yiu-chung asked the Administration to consider extending the retirement age of frontline staff in the disciplined service departments if they were physically fit to discharge the required tasks.
- 21. SCS advised that the proposal of extending the retirement age of involved policy, operational, social and servants The Administration would need to carefully consider the considerations. matter particularly its impacts on public finance, promotion prospects of serving civil servants, operational needs of B/Ds and opportunities for job seekers to join the civil service. The Steering Committee on Population Policy chaired by the Chief Secretary was studying the possibility of extending the working life of the labour force in Hong Kong as a whole, and CSB would keep in view the findings. In the meantime, CSB would look into the issue of whether, and if so how, the service of civil servants who reached their retirement age should be extended. A holistic approach. rather than a selective one confining to particular grades, would be adopted. SCS supplemented that under the existing mechanism, further employment could be offered, on a case-by-case basis, to civil servants beyond their retirement age to help bureaux and departments meet their operational needs.

Succession planning for the civil service

- 22. Mr KWOK Wai-keung expressed concern that a large number of civil servants would be due to retire in the next few years, and many of them would take final leave before their retirement, thus leading to a shortage of manpower in the civil service. In this connection, he asked how the Administration would address the problem.
- 23. <u>SCS</u> replied that B/Ds would conduct manpower planning periodically taking into account the retirement situation, and conduct recruitment exercises in a timely manner to fill the consequential vacancies arising from the retirement.

IV. An overview of medical and dental benefits for civil servants, pensioners and eligible dependants

(LC Paper No. CB(4)465/12-13(04) -- Paper provided by the Administration

LC Paper No. CB(4)465/12-13(05) -- Background brief on medical and dental benefits for civil servants, pensioners and eligible dependants prepared by the Legislative Council Secretariat

LC Paper No. CB(4)465/12-13(06) -- Submission from HKSAR Government Employees General Union)

24. <u>Members</u> noted a submission from the Hong Kong Chinese Civil Servants' Association, which was tabled at the meeting.

(*Post-meeting note*: The above submission was issued to members on 19 March 2013 after the meeting vide LC Paper No. CB(4)502/12-13(02))

25. <u>SCS</u> briefed members on the salient points in the Administration's paper on the provision of medical and dental benefits for CSEPs.

Inclusion of Chinese medicine

- Regarding the provision of Chinese medicine service for CSEPs, 26. SCS advised that the scope of medical and dental benefits for CSEPs ("civil service medical benefits") covered services currently provided by the Hospital Authority ("HA") and the Department of Health ("DH"). Presently, DH did not operate any Chinese medicine clinics ("CMCs"). regards the public CMCs, they were operated under a tripartite collaboration model, under which HA collaborated with a non-governmental organization and a local university at each CMC to promote the development of "evidence-based" Chinese medicine practice through clinical research, develop standards in Chinese medicine practice, improve Chinese medicine training and develop models of interface between western and Chinese medicine. Having regard to the main purpose of those CMCs and the fact that CMCs were operated on a self-financing basis, CMCs were distinguished from the public medical services provided by HA. As such, the services provided by CMCs were not part of the standard services of HA and fell outside the scope of civil service medical benefits. Government had no plan to expand the scope of civil service medical benefits to include CMCs at this stage, but would keep in view any significant changes to the nature and mode of service delivery of CMCs in future that would merit a review of their implications on civil service medical benefits.
- 27. Mr WONG Kwok-hing asked whether the Administration was aware that Chinese medicine had gained wide recognition in the community and that certificates issued by registered Chinese medicine practitioners were recognized for the grant of sick leave. He considered that the existing arrangement of non-inclusion of Chinese medicine in the scope of civil service medical benefits was outdated and urged the Administration to immediately review the arrangement.
- 28. Mr TANG Ka-piu opined that as various policies had been formulated to promote the development of Chinese medicine in Hong Kong in the past years to meet the rising demand of the public, the Government as an employer should take the lead in providing Chinese medicine service to CSEPs. In order to ascertain the demand for Chinese medicine out-patient service from civil servants, Mr TANG requested the Administration to provide the number of sick leave certificates issued to civil servants by registered Chinese medicine practitioners in the previous year. SCS replied that the Administration did not have such record.

- SCS explained that the Administration was open-minded about the 29. use of Chinese medicine or services provided by Chinese medicine The Government recognized medical practitioners in Hong Kong. certificates issued by registered Chinese medicine practitioners for the grant sick leave and maternity leave to Government employees. Nevertheless, under the current arrangement, the scope of civil service medical benefits did not include medical services provided by either western or Chinese medicine practitioners in the private healthcare sector. He further explained that under the tripartite collaboration model, the public CMCs were actually operated by non-government organizations, whereas HA provided relevant infrastructure and supporting facilities. CMCs had not reached a stage where they were subsumed as part of HA's standard services. As such, the services provided by the CMCs could not be regarded as part of the standard services provided by HA.
- 30. Mr WONG Kwok-hing and Mr TANG Ka-piu expressed dissatisfaction with the Administration's response. Mr WONG pointed out that Chinese medicine had a long history and was widely adopted in the public healthcare system in the Mainland. It was politically incorrect for the Administration to state that Chinese medicine was not up to standard. Mr TANG pointed out that dental service was not a standard service of DH for the general public but CSEPs could enjoy the dental service provided by the Government Dental Clinics under DH. He suggested that as DH had a role in the development of Chinese medicine in Hong Kong, the Administration should consider setting up a CMC under DH for the exclusive use of CSEPs.
- 31. Mr KWOK Wai-keung opined that as both western and Chinese medicine underwent continued development, the argument that the services of CMCs under HA could not be included in the civil service medical benefits because of their mode of operation was unconvincing. He considered that all services provided by HA and DH, regardless of the mode of operation of the services, should be included in the civil service medical benefits.
- 32. <u>SCS</u> clarified that the Administration did not have a pre-set stance on the provision of Chinese medicine service to CSEPs. The Administration relied on HA's standard services for providing quality medical services to CSEPs. It was because Chinese medicine out-patient service was not a standard service provided by HA that the service was not included in the scope of civil service medical benefits. The

Administration did not discriminate against Chinese medicine. As regards the suggestion of setting up a CMC under DH, <u>SCS</u> said that in view of the public CMCs under the tripartite collaboration model, he believed that it was unnecessary to operate another CMC under DH.

33. Mr TANG Ka-piu said that he did not subscribe to the Administration's explanation. He opined that the point at issue was whether the Administration would address the need of civil servants for Chinese medicine out-patient service. Pointing out that for various reasons, HA might be reluctant to include the services of CMCs as part of its standard services. He urged the Administration to seriously consider setting up at least one CMC under DH for the exclusive use of CSEPs like the current arrangement of providing dental service to CSEPs under DH, or devising a mechanism for reimbursement of medical expenses incurred by CSEPs in soliciting Chinese medicine service.

Mode of provision of civil service medical benefits

- 34. In view of the shortage of medical consultation slots and the long waiting time for medical services at HA and DH facilities, Mr LEUNG Che-cheung enquired whether the Administration would explore other modes of provision of civil service medical benefits, such as contracting out the general out-patient service for CSEPs to private healthcare sector or devising a mechanism for reimbursement of medical expenses incurred by CSEPs in soliciting treatments in private hospitals/clinics. He believed that such arrangements would help alleviate the service pressure on public hospitals and accommodate the need of CSEPs for Chinese medicine out-patient service.
- 35. SCS replied that under the existing policy, if the attending HA/DH doctors certified that the drugs, equipment and services concerned were prescribed in accordance with medical necessity and were chargeable by HA or not available in HA or DH, the CSEPs concerned could apply for reimbursement of the expenses incurred in obtaining such items in the private sector. However, given the fact that the charges and quality of services varied widely among private hospitals/clinics, it might not be appropriate to contract out the provision of civil service medical benefits to private healthcare sector providers as it would be difficult to control the service quality and the costs involved. At the moment, apart from GOPCs under HA, four Families Clinics operated by DH also provided general out-patient service to CSEPs. The Administration would continue to work closely with HA and DH to further enhance the civil service medical

benefits, taking into account the cost-effectiveness and financial implications of any proposed improvement measures.

- 36. Referring to paragraph 13(a) of the Administration's paper, Mr LEE Cheuk-yan sought clarification on whether the "\$420 million" was the cost for the provision of civil service medical benefits in 2013-2014. He opined that the Administration should consider utilizing the provision to take out medical insurance for CSEPs so as to solve the problems of shortage of consultation slots in public hospitals and non-inclusion of the Chinese medicine in the civil service medical benefits.
- 37. DSCS2 explained that the "\$420 million" was the estimate of the provision for reimbursement of medical expenses to CSEPs in 2013-2014. The Government had been funding HA through an annual lump sum provision for the provision of medical services to the general public and CSEPs. It was difficult to separate the annual lump sum provision to HA into two accounts. SCS said that such arrangement had the advantage of allowing flexibility for better use of medical resources by CSEPs and the general public.
- 38. Regarding the suggestion of taking out medical insurance for CSEPs, <u>SCS</u> explained that it might not be practical to pursue this suggestion as it was difficult to monitor the service scope and charges of private healthcare sector. At the moment, HA and DH had been providing comprehensive and all-inclusive medical services to CSEPs. The Administration would keep in view the future development of the Health Protection Scheme and assess its implications on the provision of civil service medical benefits. In the meantime, the Administration would continue to put in efforts to improve the civil service medical benefits provided by HA and DH.

Other views and concerns

39. Mr SIN Chung-kai noted with concern the significant increase of 20% in the provision for reimbursement of medical expenses to CSEPs in 2013-2014, which was much higher than the increase in the provision for medical services for the general public. He expressed concern that there might be an imbalance between the provision of civil service medical benefits and the provision of medical services for the general public. Mr LEE Cheuk-yan echoed Mr SIN's concern. He opined that the significant increase in the provision for reimbursement of medical expenses to CSEPs

reflected the situation that the general public had to bear the high prices of those drugs classified as self-financed items in HA's Drug Formulary.

40. <u>PSCS</u> explained that the estimated provision for the reimbursement of medical expenses to CSEPs was worked out on the basis of the relevant actual expenses incurred by CSEPs in the previous years. DSCS2 added that the longevity of CSEPs and the resumption of open recruitment of civil servants since 2008 could have contributed to the increase in the reimbursement expenditure in the previous years. DSCS2 further clarified that the percentage increase in the provision for reimbursement of medical expenses to CSEPs in 2013-14 could not be interpreted as the overall percentage increase in the provision for providing medical and dental Regarding the policy on the Drug Formulary of HA, services to CSEPs. SCS said that this involved the Government's public healthcare policy and he understood that HA patients in need could apply for financial assistance from the Samaritan Fund for the purchase of self-financed drugs.

Motion

41. The Deputy Chairman read out the following motion proposed by Mr TANG Ka-piu and Mr KWOK Wai-keung –

"促請政府立即檢討過時的不為公務員提供中醫藥服務 的做法。"

(translation)

"That this Panel urges the Government to immediately review the outdated practice of not providing Chinese medicine service for the civil service."

- 42. The Deputy Chairman ruled that the motion proposed was directly related to the agenda item under discussion, and members agreed to proceed to deal with the motion. The Deputy Chairman put the motion to vote. All the six members present, including the Deputy Chairman, voted for the The Deputy Chairman declared that the motion was carried. motion.
- 43. The Deputy Chairman requested the Administration to follow up on Admin the issue and provide a written response on the motion to the Panel in one month's period.

<u>Action</u>

(*Post-meeting note*: The Administration's response was circulated to members vide LC Paper No. CB(4)581/12-13(01) on 18 April 2013.)

V. Any other business

44. There being no other business, the meeting ended at 12:25 pm.

Council Business Division 4
<u>Legislative Council Secretariat</u>
7 May 2013