

LC Paper No. CB(4)665/13-14 (These minutes have been seen by the Administration)

Ref: CB4/PL/PS

Panel on Public Service

Minutes of meeting held on Monday, 17 March 2014, at 10:00 am in Conference Room 2 of the Legislative Council Complex

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

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

Hon LEE Cheuk-yan

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

Dr Hon LEUNG Ka-lau Hon LEUNG Kwok-hung

Hon Claudia MO

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

Hon Tony TSE Wai-chuen

Members attending: Hon WONG Kwok-hing, BBS, MH

Hon CHAN Yuen-han, SBS, JP

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

Ms May CHAN
Deputy Secretary for the Civil Service 2

Agenda item VI

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
Deputy Secretary for the Civil Service 2

Ms Vivian SUM, JP Deputy Secretary for the Civil Service 3

Mr Peter CHAN, JP Director of General Grades Civil Service Bureau

Attendance by invitation

: Agenda item III

Hong Kong Civil Servants General Union

Mr LEUNG Tat-wah Committee member

Model Scale 1 Staff Consultative Council (Staff Side)

Ms LI Wai-yee Chairman

HKSAR Government Employees General Union

Mr KONG Ming-chung Chairperson

Hong Kong Medical and Health Care Staff
General Union

Mr NG Sai-chung Committee member

Government Employees Association

Mr SUEN Ming-fung Chairman

Hong Kong Chinese Civil Servants' Association

Mr CHOW Yiu-kwong Councillor

Government Park & Playground Keepers Union

Mr YIP Chi-shing Chairman

Government Model Scale 1 Staff General Union

Mr TSUI Yat-keung Vice Chairman

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 Linda MA

Legislative Assistant (4)1

Action

I. Information papers issued since the last meeting

LC Paper No. CB(4)445/13-14(01)

-- Submission from the Junior Police Officers' Association of the Hong Kong Police Force on pay review mechanism for the Police Force (for members only)

LC Paper No. CB(4)452/13-14(01) -- Administration's response to the letter from Hon **TANG** Ka-piu and Hon **KWOK** Wai-keung the regarding employment of non-civil service

contract staff

LC Paper No. CB(4)459/13-14(01) -- Submission from the Junior Police Officers'
Association of the Hong Kong Police Force on burial at Gallant Garden (Chinese version only)

Members noted that the above papers had been issued since the last meeting.

II. Date of next meeting and items for discussion

LC Paper No. CB(4)462/13-14(01) -- List of outstanding items for discussion

LC Paper No. CB(4)462/13-14(02) -- List of follow-up actions

2. <u>The Chairman</u> drew members' attention that as the third Monday of April was a public holiday, the next regular meeting had been

re-scheduled for Friday, 25 April 2014 at 10:45 am. <u>Members</u> agreed to discuss the following two items proposed by the Administration at the next regular meeting –

- (a) An overview of the civil service establishment, strength, retirement, resignation and age profile; and
- (b) Use of agency workers.
- 3. <u>The Chairman</u> enquired about the progress of the Administration's study on the manpower and retirement situation of the civil service. <u>The Secretary for the Civil Service</u> ("SCS") advised that item (a) above would not cover the said study. The Administration was finalizing the study and would report the major findings of the study and proposals arising therefrom to the Panel as soon as possible, probably in May 2014.

(*Post-meeting note*: At the request of the Administration and with the concurrence of the Panel Chairman, an item on "Consultation on extension of the service of civil servants" was discussed at the meeting on 25 April 2014, and the discussion of item (b) above was postponed to the meeting on 19 May 2014.)

III. Review on conditioned hours of work for Model Scale 1 Grades

LC Paper No. CB(4)462/13-14(03) -- Paper provided by the Administration

LC Paper No. CB(4)462/13-14(04) -- Background brief prepared by the Secretariat

Welcoming remarks by the Chairman

- 4. <u>The Chairman</u> welcomed representatives from the Administration and the deputations to the meeting. She reminded the deputations that, when addressing the Panel at the meeting, they were not covered by the protection and immunity under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382), and their written submissions were also not covered.
- 5. <u>The Chairman</u> said that apart from the eight deputations attending the meeting, an organisation had also provided its written submission as listed on the agenda of the meeting.

Presentation of views by deputations

- 6. The eight deputations presented their views on conditioned hours of work for Model Scale 1 ("MOD 1") Grades. An index of the proceedings was at the **Appendix**.
- 7. In gist, the deputations generally opined that the Government policy of maintaining two systems of conditioned hours of work was divisive, outdated and unfair to those civil servants subject to the net conditioned hours system, as the majority of civil servants were only required to work 44 hours gross per week. Some deputations expressed concern that civil servants subject to the net conditioned hours system were not eligible for compensation for work injuries happened during meal breaks. While a majority of the deputations called upon the Administration to reduce the conditioned hours of work for MOD 1 Grades from 45 hours net to 45 hours gross per week by phases, a deputation was of the view that the Administration should introduce a uniform conditioned hours of work at 44 hours gross per week across the board for all civil servants.
- 8. All deputations expressed disappointment and dissatisfaction with the outcome of the review conducted by the Administration on the conditioned hours of work for MOD 1 Grades ("the review"). Noting the findings of the first stage of the review as set out in paragraph 8 and Annex of the Administration's paper, the deputations raised doubt on the Administration's sincerity to reduce the conditioned hours of work for MOD 1 Grades. Noting the successful example of the Hospital Authority ("HA") in reducing its supporting grades staff's conditioned hours of work from 45 hours net to 44 hours gross per week, the deputations urged the Administration to migrate those MOD 1 staff currently required to work under the net conditioned hours system to the gross conditioned hours system, and that the Administration should either abolish or relax the following two requirements to facilitate the migration
 - (a) the three prerequisites of cost-neutrality, no additional manpower and maintaining the same level of service to the public ("the three prerequisites"); and
 - (b) the conditioned hours of work for all members of the same grade/rank should be the same (the "same grade, same conditioned hours of work" principle).

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The Administration's response to the deputations' views

- 9. At the invitation of the Chairman, <u>SCS</u> made the following points in response to the deputations' views -
 - (a) There was no uniform conditioned hours of work in the civil service. Specific conditioned hours of work were laid down for different grades of civil servants according to operational requirements and other relevant considerations. As the stipulated conditioned hours of work had been taken into account in determining the overall remuneration package offered to different civil service grades, a reduction in the conditioned hours of work of a particular grade without any corresponding change to its pay was an improvement to the pay and conditions of service of that grade.
 - To ensure prudent use of public funds and the upkeep of the level of service to the public, it was an established policy that the Administration would only consider a proposal to reduce the conditioned hours of work of a particular grade if the proposal complied with the three prerequisites. considering a reduction proposal, the Administration would also consider the duties and responsibilities of the grade concerned, the operational requirements, the manpower situation, the implications of the reduction on other civil service grades, and other relevant factors. Each proposal would be considered on its own merits and the advice of the relevant advisory body would be sought. For parity consideration and proper management of the civil service, the conditioned hours of work for all members of the same grade/rank should be the same. The Administration did not object to the suggestion of implementing the reduction of conditioned hours of work of a particular grade by phases, if the review confirmed that the reduction was in compliance with the three prerequisites and applicable to all members of the grade.
 - (c) There were two different systems of conditioned hours of work: gross and net. The gross conditioned hours system incorporated the time for meal breaks in the stipulated conditioned hours of work; the net system excluded the time for meal breaks in the stipulated conditioned hours of work. At present, about 15% civil servants were subject to the net conditioned hours system. Meal break arrangements of

various departments were determined by respective heads of departments having regard to specific operational needs. A civil servant under the gross conditioned hours system was not regarded as performing overtime work nor eligible for overtime recompense if he/she was required to perform duties during his/her meal breaks. On the other hand, a civil servant under the net conditioned hours system was eligible for overtime recompense for performing duties during meal breaks.

- (d) HA was a statutory body which operated autonomously with its own management framework. HA might formulate manpower initiatives applicable to its staff. Civil servants in HA and staff employed by HA had all along been subject to different terms of employment and conditions of service. Having retained their civil service status, civil servants working in HA were subject to the conditioned hours of work of their respective civil service grades. Any proposal to reduce the conditioned hours of work of these civil servants should apply to all staff in the same grade, and such proposal should be carefully considered having regard to the three prerequisites. The HA management was well aware of the concerns of the civil servants working in HA towards the reduced conditioned hours of work of HA's supporting In this regard, the HA management had grades staff. confirmed that civil servants working in HA would not shoulder additional work as a result of HA's initiative to reduce the conditioned hours of work of its supporting grades staff.
- The review was conducted in response to the request of Given the large number of staff and MOD 1 staff. Bureaux/Departments ("B/Ds") involved and the importance of upholding the established prerequisites and the aforesaid principle as in previous reduction proposals for non-MOD 1 grades, the Administration had made clear to the staff side that a full-fledged reduction proposal for all the MOD 1 Grades would not be easy to achieve. The Administration had recently completed the first stage of the review and had reported the findings to the MOD 1 Staff Consultative Council. The Administration would proceed with the second stage of the review by setting up tripartite meetings to provide a platform for B/D management and MOD 1 staff representatives to exchange views with a view to identifying

feasible reduction proposals based on mutual understanding. The Administration would continue to update the staff side of the overall progress.

The three prerequisites and the "same grade, same conditioned hours of work " principle

- 10. Mr TANG Ka-piu expressed dissatisfaction that, according to the findings of the review, amongst the some 7 450 MOD 1 staff, only 40 staff were considered feasible to reduce their conditioned hours of work to 45 hours gross per week under the three prerequisites and the "same grade, same conditioned hours of work" principle. He suspected that the Administration had intentionally introduced the "same grade, same conditioned hours of work" principle to avoid granting a reduction of working hours for MOD 1 staff. Referring to the Annex of the Administration's paper, Mr TANG requested the Administration to provide the respective breakdowns by B/Ds of the MOD 1 Grades which were feasible to reduce the conditioned hours of work and those which were not feasible to reduce the conditioned hours of work.
- Mr KWOK Wai-keung said that although the three prerequisites were rigid and unreasonable, there were still around 1 500 MOD 1 staff who could meet these requirements in the first stage of the review. It was undesirable that the Administration had introduced an additional requirement of "same grade, same conditioned hours of work" preventing some 1 460 staff from receiving a reduction of working hours. Mr KWOK requested the Administration to provide a breakdown by B/Ds and grades of the 1 500 MOD 1 staff.
- 12. <u>SCS</u> said that it was always the policy of the Government to apply the same conditioned hours of work to all members of the same grade/rank for effective management of the civil service and to ensure parity treatment. It was on this premise that the Administration had embarked on the review to assess and explore options for reduction of the conditioned hours of work of MOD 1 Grades under the three prerequisites. Regarding the statistics requested by Mr TANG and Mr KWOK, <u>SCS</u> agreed to provide the relevant information after the meeting.
- 13. Mr WONG Kwok-hing commented that the long working hours of MOD 1 staff was the result of the Administration's long term practice of "fattening the top and thinning the bottom". Such practice was reflected by the reduction of MOD 1 staff from about 20 000 to 7 450 over the past years through the outsourcing of services. He considered

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that the current conditioned hours of work at 45 hours net per week was unfair to MOD 1 staff. The Administration should not insist on fulfilling the three prerequisites, which were rigid and inflexible. Given the large fiscal surplus in the past years, the Administration should be able to identify possible ways to reduce the working hours of MOD 1 staff.

- 14. <u>SCS</u> explained that specific conditioned hours of work were laid down for different grades in the civil service having regard to their job nature, operational requirements and other relevant considerations. There was no question of discrimination in the civil service. It was important to uphold the aforesaid prerequisites and principle in the consideration of any proposal on reduction of conditioned hours of work, as other civil service grades might also ask for a similar reduction. Moreover, there had been instances in the past where the conditioned hours of work of some civil service grades were reduced while meeting those prerequisites and the principle.
- 15. The Deputy Chairman opined that the Administration should regularly review the policy on conditioned hours of work in the civil service in tandem with changing needs and situations, and consider flexibly any proposal to reduce the conditioned hours of work of a particular grade, instead of adhering strictly to the three prerequisites. In order to have a full picture of the cost implication, he enquired about the amount of expenses required if all MOD 1 staff were migrated to 45 gross conditioned hours of work per week.
- 16. <u>Mr SIN Chung-kai</u> considered that amongst the three prerequisites, "maintaining the level of service to the public" was the most important prerequisite which should be strictly adhered to. In order to work out a feasible solution, he asked whether the Administration would consider relaxing the other two prerequisites of "cost-neutrality" and "no additional manpower" in the second stage of the review.
- 17. <u>SCS</u> advised that since the aim of the review was to study the feasibility of reducing the conditioned hours of work for MOD 1 Grades under the three prerequisites, the Administration did not have the figure requested by the Deputy Chairman. He reiterated that a reduction in the conditioned hours of work of a particular grade without any corresponding change to its pay was an improvement to the pay and conditions of service of that grade. Any reduction proposal should be considered under the three prerequisites and other relevant factors. If there were any changes in the job nature, responsibilities or recruitment and retention problems for any particular grade, a grade review might be

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conducted to address the issues.

Long working hours for MOD 1 Grades

- 18. Mr TANG Ka-piu said that the long working hours of MOD 1 staff had set a bad example for employers in the private sector and might have contributed to the long working hours of employees in Hong Kong. Ms CHAN Yuen-han echoed Mr TANG's concern. She said that the Administration's insistence on the fulfilment of the three prerequisites in considering any proposal on reduction of working hours would send a negative message to the employers in the private sector on the Administration's determination to implement standard working hours in Hong Kong.
- 19. <u>SCS</u> replied that the working hours of employees in the private sector and the formulation of standard working hours were separate and complicated issues being widely discussed in the community. The Administration had no intention to increase the conditioned hours of work for MOD 1 staff, and quite on the contrary, the Administration was studying the feasibility of reducing the working hours of the staff.

Inclusion of meal breaks in the conditioned hours of work

- 20. Mr KWOK Wai-keung pointed out that the Administration's policy of not providing paid meal breaks for civil servants under the net conditioned hours system was outdated and unjustified as it was a common practice for employers in the private sector to provide paid meal breaks for their employees. He called on the Administration to review the policy and cautioned that if the Administration insisted on adopting the net conditioned hours system for MOD 1 Grades, recruitment and retention problems might arise.
- 21. <u>SCS</u> said that the there were many factors affecting the attractiveness of civil service jobs and retention of quality staff. Currently there was no difficulty in the recruitment and retention of MOD 1 staff.
- 22. Mr Martin LIAO said that he held an open attitude on the reduction of conditioned hours of work of MOD 1 staff. He opined that the issue should be considered with the salaries and other fringe benefits of the relevant grades taken into account. He noted that some deputations had compared the working hours of MOD 1 staff with the supporting staff of HA, which he thought might not reflect the overall situation in various public organisations.

- 23. <u>SCS</u> said that when the HA took over the management of all public hospitals in 1991, some civil servants working in the previous Hospital Services Department had chosen to retain their civil servant status and continued to work in HA under civil service terms of appointment. As a result of HA's reduction of its supporting grades staff's conditioned hours of work in May 2013, the MOD 1 civil servants working 45 hours net per week in HA had been calling for a similar reduction. It was against this background that the Administration had embarked upon the review to study whether it was feasible to reduce the conditioned hours of work of MOD 1 staff under the three prerequisites. He did not think it was appropriate to compare the working hours of MOD 1 Grades directly with similar posts in public organisations.
- On Mr Martin LIAO's enquiry about the rationale for the adoption of the net and the gross conditioned hours systems in the civil service, <u>SCS</u> explained that different civil service grades had different conditioned hours of work and were under different systems of conditioned hours due to their different work nature and requirements. If meal breaks were counted towards the conditioned hours of work of the MOD 1 Grades, the conditioned hours of work of these grades might need to be increased under the three prerequisites.
- 25. In response to the concern of the Chairman and Mr KWOK Wai-keung regarding the compensation for injuries happened during meal breaks, <u>SCS</u> said that generally speaking government employees, regardless of whether they were on a net or gross conditioned hours system, were eligible to claim for compensation for injuries sustained whilst performing duties.

Second stage of the review

- 26. The Chairman enquired about the reasons for the small number of MOD 1 staff whose conditioned hours of work could be reduced in the review. SCS explained that in the first stage of the review, B/Ds with MOD 1 staff were invited to carefully examine the feasibility of reducing their staff's conditioned hours of work to 45 hours gross per week under the aforesaid prerequisites and principle. The findings were compiled on the basis of the returns from B/Ds.
- 27. Mr WONG Kwok-hing expressed dissatisfaction with the review findings, and considered it unacceptable that only 40 MOD 1 staff were found feasible to reduce their conditioned hours of work to 45 hours gross per week. For the second stage of the review, he urged the Administration to seriously look into the situation of the 1 460 MOD 1

staff whose conditioned hours of work could be reduced under the three prerequisites but could not under the principle of "same grade, same conditioned hours of work". Mr KWOK Wai-keung and Mr TANG Ka-piu shared this view. Mr TANG also urged the Administration to explore ways to reduce the conditioned hours of work of the other 6 000 MOD 1 staff.

- 28. Noting that a deputation expressed dissatisfaction with the lack of staff involvement at the first stage of the review, the Deputy Chairman requested the Administration to fully engage MOD 1 staff in the second stage of the review and provide a timetable for the review.
- 29. In response, <u>SCS</u> explained that as the existing conditioned hours of work of different grades in the civil service had evolved over time, any proposal to change the conditioned hours of work of any particular grade would require a comprehensive review involving thorough discussions between the management and staff sides. At the moment, the Administration did not have a timetable on the completion of the second stage of the review which would involve staff representatives. As requested by the Chairman and Mr WONG Kwok-hing, <u>SCS</u> agreed to update the Panel on the progress of the review in about six months' time.

IV. Civil service-related issues featuring in the 2014-2015 Budget

LC Paper No. CB(4)462/13-14(05) -- Paper provided by the Administration

30. <u>SCS</u> briefed members on the civil service-related issues featured in the 2014-2015 Budget by highlighting the salient points in the discussion paper. He said that the 2014-2015 Draft Estimates of Expenditure provided for 2 556 additional civil service posts in various B/Ds, representing an increase of 1.5% over the 2013-2014 Revised Estimate of the civil service establishment. The year-on-year growth of the civil service establishment in 2014-2015 was the highest since 2007-2008. Of the new posts proposed to be created, some 670 posts were for replacing non-civil service contract ("NCSC") positions long-term service needs of which had been established.

Civil service establishment

31. Noting that there was a discrepancy between the estimated and actual numbers of additional civil service posts in the previous year, <u>Mr</u> <u>Tony TSE</u> expressed concern that the proposed increase in civil service

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posts in 2014-2015 might be insufficient to cope with the expansion of services and increase in demand arising from various new policy initiatives. He urged the Administration to strengthen the civil service establishment in order to address the manpower shortage problems in the civil service.

- 32. Mr LEE Cheuk-yan commented that after deducting the 670 posts created for replacing NCSC positions, the growth in civil service establishment in 2014-15 was only at a bare minimum. He queried whether a ceiling had been set for the annual increase of civil service posts.
- 33. Mr LEUNG Kwok-hung was of the view that the Administration had not suitably increase the manpower of those B/Ds which were responsible for implementing policies or providing services of wide public concern. Some examples were the Legal Aid Department, the Hongkong Post ("PO") and the Secretariat, Commissioner on Interception of Communications and Surveillance which would have zero increase in their staff establishment in 2014-2015. Moreover, it was unsatisfactory that new directorate posts to be created in 2014-2015 far exceeded new non-directorate posts.
- 34. <u>SCS</u> explained that while it was Government policy to keep the civil service establishment under control, additional civil service posts would be provided when the operational need was fully justified, when the work involved could not be undertaken by re-deployment of existing staff, and when alternative modes of service delivery (e.g. automation, outsourcing, etc.) were considered inappropriate. The Administration did not have a pre-determined ceiling on the growth in civil service establishment. Each year, individual B/Ds would review their own staffing situation and put up requests for additional resources to meet the demand for new or improved services to the public, taking into account the increase in workload over the years. For 2014-2015, about 1% of the additional posts created were directorate posts.
- 35. In response to Mr LEUNG Kwok-hung's request for information on the performance pledges adopted by various B/Ds and the achievement of these pledges, <u>SCS</u> explained that such information was already available in the Controlling Officers' Reports in the 2014-2015 Estimates of Expenditure.
- 36. In response to the enquiries of Mr Tony TSE and Mr LEE Cheuk-yan, the Director of General Grades advised that the 1.5% increase in the civil service establishment in the coming financial year was

calculated on the basis of the number of additional civil service posts provided in the 2014-2015 Draft Estimates of Expenditure (i.e. 2 556) and the previous year's Revised Estimate of the civil service establishment (i.e. 171 405). He also advised that the 2013-2014 Draft Estimates of Expenditure only provided for 1 708 additional civil service posts.

Non-civil service contract staff

- 37. Mr WONG Kwok-hing welcomed the increase in the civil service establishment and the replacement of 670 NCSC positions by civil service posts in the coming financial year. Expressing sympathy with those NCSC staff who had worked for a long period of time in the Government, he urged the Administration to accord sufficient weighting to their experience in the Government when they applied and were being considered for the relevant civil service posts.
- 38. <u>SCS</u> advised that all the 670 posts to be created for replacing NCSC positions would be filled by open recruitment. The Government's recruitment policy was to select the most suitable persons for civil service vacancies through an open, fair and competitive process. Since relevant working experience was one of the factors to be taken into account in the recruitment process, NCSC staff who met the entry requirements of specific civil service ranks should generally enjoy a competitive edge over other applicants.
- 39. Mr TANG Ka-piu expressed concern over the employment of NCSC staff by B/Ds operating as trading funds, in particular PO which had the largest number of NCSC staff. He said that it was unsatisfactory that the 2014-2015 Draft Estimates of Expenditure did not provide for any addition of civil service posts for PO and urged CSB to review the mode of operation of trading funds.
- 40. Mr LEE Cheuk-yan criticized that B/Ds operating as trading funds had maintained their business at the expense of NCSC staff who were being employed for a long period of time but were offered remuneration packages much less favourable than those of their civil service counterparts.
- 41. <u>SCS</u> clarified that the Government had not exploited NCSC staff. In determining the pay level of NCSC staff, B/Ds were required to comply with the Employment Ordinance and ensure the competitiveness and attractiveness of the terms and conditions of service of the NCSC positions, so as to be able to recruit persons of suitable calibre from the

labour market and retain the NCSC staff. As B/Ds operating as trading funds had to ensure that their operations were commercially viable, these B/Ds should be provided with greater flexibility in the appointment of staff to cope with business fluctuations. He understood that NCSC staff were employed by PO to meet service needs which were time-limited or seasonal in nature or sudden upsurge in service demands. 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.

- 42. <u>Mr LEE Cheuk-yan</u> did not subscribe to the Administration's explanation. He opined that all NCSC positions with long-term service needs should be replaced by civil service posts. The Administration should not adopt a different standard for NCSC posts in trading-fund departments.
- 43. Mr TANG Ka-piu expressed dissatisfaction that under the current arrangement, the employer's contributions made by B/Ds to the Mandatory Provident Fund ("MPF") schemes of their NCSC staff were used for offsetting the severance and long service payments to NCSC staff. In order to set a good example for other employers, he urged the Administration to take the lead in abolishing the offsetting arrangement, and to offer all NCSC staff with end-of-contract gratuities.
- 44. <u>SCS</u> replied that the offsetting arrangement in the Government aligned with the provisions of the Employment Ordinance. There were diverse views on the offsetting arrangement under the MPF system in the community. Hence, the Administration would need to consider and examine the issue in a holistic and careful manner. Regarding the provision of end-of-contract gratuities to NCSC staff, <u>SCS</u> said that individual B/Ds, having considered all relevant factors, including the competitiveness and attractiveness of the terms and conditions of employment of their NCSC positions, could decide on the remuneration packages of their NCSC staff.

Inclusion of Chinese medicine in civil service medical benefits

- 45. Noting that the Chinese medicine hospital to be set up in Tseung Kwan O would be operated by HA in collaboration with a non-governmental organisation, <u>Mr TANG Ka-piu</u> enquired whether civil servants could enjoy the services provided by the hospital free of charge.
- 46. In reply, <u>SCS</u> explained that the scope of civil service medical and dental benefits covered only standard services provided by HA and the Department of Health ("DH"). At the moment, Chinese medicine

services were not standard services provided by HA and DH, and hence were not covered within the scope of civil service medical benefits. Meanwhile, the Administration would keep in view any significant changes to the nature and mode of service delivery of Chinese medicine services in future that would merit a review of their implications on civil service medical benefits.

Long and Meritorious Service Travel Award Scheme

47. Ms Emily LAU enquired about the selection criteria and the details of the Long and Meritorious Service Travel Award Scheme ("the SCS advised that the objective of the Scheme was to recognize and reward long and meritorious service of serving civil servants. Although all local non-directorate officers with a continuous service of 20 years or more, who had track records of consistently very good performance, were eligible for consideration for the grant of the award, due to intense competition and limited quota, most of the award recipients had over 30 years of service. The Permanent Secretary for the Civil Service ("PSCS") supplemented that in the selection process, priority would be given to eligible civil servants who would soon retire. The total number of awards was 2 196 for 2013-2014 and would increase to 2 473 for 2014-2015. It was estimated that the award level in 2014-15 would be about \$26 000 and that it could only be claimed on a reimbursement basis.

Other issues

Mr SIN Chung-kai enquired about the reasons for the significant 48. reduction of 144 posts in HA whereas there was an increase in the staff establishment of DH in 2014-2015. PSCS advised that the reduction of service establishment in HA due was to retirement/resignation of civil servants working in HA whereas the increase of staff establishment in DH was mainly due to the improvement of dental service provided to civil servants and eligible At the request of Mr SIN, SCS agreed to provide the number of civil servants working in HA.

(*Post-meeting note*: The Administration's response was circulated to members vide LC Paper No.CB(4)521/13-14(01) on 28 March 2014.)

49. On Mr SIN's enquiry about the reduction of 28 posts in the Student Financial Assistance Agency, <u>SCS</u> explained that this was due to the cancellation of posts upon the completion of some time-limited jobs.

50. <u>Ms Emily LAU</u> opined that while the Administration should provide attractive remunerations packages to civil servants so that they could provide better quality service to the public, the Administration should also take care of the general public's demand for dental services and retirement protection.

V. Any other business

51. There being no other business, the meeting ended at 12:50 pm

Council Business Division 4
<u>Legislative Council Secretariat</u>
15 May 2014

Panel on Public Service on Monday, 17 March 2014, at 10:00am in Conference Room 1 of the Legislative Council Complex

Presentation of views by deputations/individuals

Time	Speaker	Subject(s)
marker		
000520-	Chairman	Opening remarks
000560		
000631-	Mr LEUNG Tat-wah,	Presentation of views that -
001027	Committee member Hong Kong Civil Servants General Union	• It was unsatisfactory that the Administration had not reviewed the conditioned hours of work of MOD 1 staff since 1987.
		 The union was greatly disappointed with the outcome of the review conducted by the Administration on the conditioned hours of work for MOD 1 Grades.
		 The practice of excluding meal breaks from the conditioned hours of work of MOD 1 staff was outdated and unfair.
001036- 001640	Ms LI Wai-yee, Chairman Model Scale 1 Staff Consultative Council (Staff Side)	Presentation of views as detailed in LC Paper No. CB(4)483/13-14(02)
001648- 002126	Mr KONG Ming-chung, Chairperson HKSAR Government Employees General Union	Presentation of views as detailed in LC Paper No. CB(4)483/13-14(03)
002133- 002331	Mr NG Sai-chung, Committee member Hong Kong Medical and Health Care Staff General Union	Presentation of views that - • The adoption of two different systems (net and gross) of conditioned hours of work had resulted in class discrimination within the civil service and had impaired staff morale.

		• The union was dissatisfied with the result of the review and urged the Administration to reduce the conditioned hours of work for MOD 1 staff from 45 hours net to 45 hours gross per week without subject to the full compliance with the three prerequisites.
002338- 002726	Mr SUEN Ming-fung, Chairman Government Employees Association	Presentation of views as detailed in LC Paper No. CB(4)483/13-14(06)
002734- 003246	Mr CHOW Yiu-kwong, Councillor Hong Kong Chinese Civil Servants' Association	Presentation of views as detailed in LC Paper No. CB(4)483/13-14(01)
003257- 003550	Mr YIP Chi-shing, Chairman Government Park & Playground Keepers Union	Presentation of views as detailed in LC Paper No. CB(4)483/13-14(05)
003600- 003722	Mr TSUI Yat-keung, Vice Chairman Government Model Scale 1 Staff General Union	 Pointing out that the Hospital Authority had successfully reduced its supporting grades staff's conditioned hours of work from 45 hours net per week to 44 hours gross per week, the union urged the Administration to grant the same reduction to MOD 1 staff. The union was dissatisfied with result of the Administration's review and called on the Administration to provide detailed information and statistics to justify the outcome of the review.

Council Business Division 4
<u>Legislative Council Secretariat</u>
15 May 2014