

立法會
Legislative Council

LC Paper No. CB(4)663/14-15
(These minutes have been seen
by the Administration)

Ref : CB4/PL/PS

Panel on Public Service

Minutes of meeting held on
Monday, 19 January 2015, at 10:45 am
in Conference Room 3 of the Legislative Council Complex

Members present : Hon POON Siu-ping, BBS, MH (Chairman)
Hon KWOK Wai-keung (Deputy Chairman)
Hon LEE Cheuk-yan
Hon TAM Yiu-chung, GBS, JP
Dr Hon LEUNG Ka-lau
Hon Mrs Regina IP LAU Suk-yeet, GBS, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon LEUNG Che-cheung, BBS, MH, JP
Hon SIN Chung-kai, SBS, JP
Hon IP Kin-yuen
Hon Martin LIAO Cheung-kong, SBS, JP
Hon TANG Ka-piu, JP
Hon Tony TSE Wai-chuen, BBS

Members attending : Hon WONG Kwok-hing, BBS, MH
Hon CHAN Yuen-han, SBS, JP

Member absent : Hon Emily LAU Wai-hing, 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

Mr Eddie MAK, JP
Deputy Secretary for the Civil Service 1

Ms May CHAN, JP
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

Agenda item IV

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

Clerk in attendance : Miss Mary SO
Chief Council Secretary (4)2

Staff in attendance : Ms Cindy CHAN
Senior Council Secretary (4)2

Ms Rebecca LEE
Council Secretary (4)2

Miss Vivian YUEN
Legislative Assistant (4)2

Action

I. Papers issued since the last meeting

Members noted that no information paper was issued since the last meeting.

II. Date of next meeting and items for discussion

LC Paper No. CB(4)343/14-15(01) -- List of outstanding items for discussion

LC Paper No. CB(4)343/14-15(02) -- List of follow-up actions

2. Members agreed to discuss the following items proposed by the Administration at the next regular meeting scheduled for Monday, 16 February 2015 at 10:45 am:

- (a) An overview of training and development for civil servants; and
- (b) 2015 Starting Salaries Survey.

III. Briefing by the Secretary for the Civil Service on the policy initiatives of Civil Service Bureau featuring in the 2015 Policy Address

LC Paper No. CB(4)343/14-15(03) -- Paper provided by the Administration

Briefing by the Administration

3. Secretary for the Civil Service ("SCS") briefed members on the policy initiatives relating to the Civil Service Bureau ("CSB") featured in the 2015 Policy Address, details of which were set out in the Administration's paper (LC Paper No. CB(4)343/14-15(03)).

Declaration of interest

4. Mr Tony TSE declared that he was a member of the Standing Commission on Civil Service Salaries and Conditions of Service.

Discussion

Employment of persons with disabilities ("PWDs") and ethnic minorities in the civil service

5. Mr SIN Chung-kai asked whether consideration would be given to the setting up of a quota system for the employment of PWDs and the ethnic minorities in the civil service.

6. SCS responded that as revealed by overseas experience, a mandatory employment quota for PWDs and ethnic minorities no longer represented the most appropriate means to promote the employment of PWDs and ethnic minorities. The prevailing trend had moved away from employment quota system to anti-discrimination legislation, enhanced support measures and promotion of equal opportunities for PWDs and ethnic minorities. Whilst upholding the principle of open and fair competition in the appointments to the civil service, all bureaux and departments ("B/Ds") were advised to adopt suitable measures to facilitate PWDs in applying for government jobs. For instance, an applicant with disability who met the basic entry requirements for a post would not be subject to any shortlisting criteria and would be automatically invited to attend the selection test/interview to compete for the post on the same grounds as other applicants. The recruiting B/D was also required to proactively ascertain from individual applicant with disability any assistance or accommodation needed so as to facilitate him/her in attending the test/interview. In addition, the test/interview process would be suitably adjusted to cater for the applicant's special needs, such as extension of the test time having regard to the degree of his/her disability and complexity of the paper. In respect of non-ethnic Chinese candidates for civil service jobs, SCS said that heads of grade/department ("HoGs/HoDs") were advised to review the language proficiency requirements from time to time taking into account the changing operational needs and make suitable adjustments to the Chinese language proficiency requirements without compromising the efficiency of the departments/grades.

7. Mr SIN Chung-kai was of the view that, in the absence of a quota system for the employment of PWDs and ethnic minorities, CSB should conduct a study to assess the effectiveness of the measures implemented to facilitate the employment of PWDs and ethnic minorities in the civil service.

8. SCS responded that CSB updated members regularly on the implementation of relevant measures to facilitate the employment of PWDs and ethnic minorities in the civil service, and would continue to do so.

Medical and dental benefits for civil service eligible persons ("CSEPs")

9. Mr SIN Chung-kai noted from paragraph 17 of the Administration's paper that a new families clinic was tentatively scheduled to commence operation in Fanling in the first quarter of 2016 to enhance medical benefits for CSEPs. Mr SIN enquired about the amount of money required for the provision of such enhanced medical benefits for CSEPs.

Admin

10. Deputy Secretary for the Civil Service 2 ("DSCS 2") responded that CSB had sought additional provision for the setting up of a new families clinic in Fanling and she undertook to provide information on the cost of the new families clinic after the meeting.

11. Responding to Mr SIN's further enquiry on the reason(s) for choosing Fanling as the location of the new families clinic for CSEPs, SCS explained that there was at present no families clinic services in New Territories East. The existing four families clinics were located in Chai Wan, Wan Chai, Hung Hom and Tsuen Wan respectively.

12. Permanent Secretary for the Civil Service ("PSCS") supplemented that the overall service capacity of families clinics operated by the Department of Health ("DH") had increased by about 60% from 2009 to 2014. Such an increase was attributed to the opening of a families clinic in Tsuen Wan in 2010, the expansion of the Hong Kong Families Clinic in Wan Chai in 2010 and the relocation of the Kowloon Families Clinic in Hung Hom to Kowloon City Health Centre in July 2013 whereby the number of consultation rooms had increased from six to 10. PSCS further said that upon the full operation of the new families clinic in Fanling, the overall service capacity of DH's families clinics would increase by about 31% from 32 consultation rooms to 42 consultation rooms.

13. Mr Tony TSE urged the Administration to put in more resources to enhance its medical and dental benefits for CSEPs, as the existing provision of medical and dental services that could be received by CSEPs was no different than that received by members of the public seeking public healthcare.

14. Mrs Regina IP said that many civil servants had commented that the provision of medical services for CSEPs through families clinics could not aptly meet the great demand for medical services from CSEPs who numbered over several hundred thousands, not to mention that the locations and the opening

hours of the five families clinics, including the new one in Fanling, were not convenient for some CSEPs to visit. To enhance the provision of medical benefits for CSEPs, Mrs IP suggested that the Government should cease the operation of families clinics and take out group health insurance for CSEPs to use private healthcare services.

15. SCS responded that enabling CSEPs to use private healthcare services through group health insurance funded by the Government might not be better than the existing arrangements of DH or the Hospital Authority ("HA") providing medical services to CSEPs free of charge. In addition to the families clinics which were dedicated for use by CSEPs, certain medical services provided by HA were also reserved or dedicated for use by CSEPs. CSEPs might also apply to DH for reimbursement of medical expenses 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/DH. As regards dental benefits, DH operated more than 30 dental clinics for use by CSEPs only. In 2014, additional general dental surgeries had been provided in some of these DH's dental clinics. As changing the mode of providing medical and dental benefits for CSEPs was a major change, detailed examination would be required. The Administration would keep in view of the outcome of the public consultation on the Voluntary Health Insurance Scheme to see how the Scheme, if it were to be implemented, would impact on the existing provision of medical benefits for CSEPs.

16. SCS further said that the Administration would continue to work closely with DH and HA to further enhance civil service medical and dental services for CSEPs. SCS however pointed out that in view of the shortage of healthcare workers in Hong Kong, it would not be possible for DH and HA to greatly increase their service capacity for CSEPs within a short time even with financial resources permitting.

17. Mr KWOK Wai-keung said that with the increasing popularity of members of the public seeking medical assistance from Chinese medicine practitioners, the scope of medical benefits for CSEPs should be expanded to include Chinese medicine services.

18. SCS responded that the Government had no plan to expand the scope of civil service medical benefits to include Chinese medicine services at this stage, as DH presently did not operate any Chinese medicine clinics ("CMCs") and its role was more of a regulatory body over the Chinese medicine industry. HA also did not operate any CMCs as part of its standard services. The Administration was committed to improving civil service medical benefits within its contractual obligations. Currently, the Administration was focusing its

resources on improving families clinic services and dental services which were in great demand from CSEPs.

Extension of the service of civil servants

19. Mr WONG Kwok-hing noted from paragraph 2 of the Administration's paper that the Administration would adopt the four flexible retirement and employment initiatives proposed in the Consultation Paper on "Extension of the Service of Civil Servants" with suitable refinements and/or appropriate mechanisms. Mr WONG asked about the adjustments that would be made to the existing further employment mechanism that would avoid creating a culture of cronyism or flattery in the civil service on the one hand and not adversely impacting on the promotion prospects of serving civil servants on the other.

20. In response, SCS advised that the following proposals were being considered:

- (a) prior to considering the applications for further employment in a promotion rank, HoG/HoD concerned would ascertain whether there were sufficient serving officers in the eligible lower rank(s) who were suitable to fill the vacancies in the promotion rank in question by way of substantive promotion or acting appointment;
- (b) if there were insufficient officers in the eligible lower rank(s) ready to fill the vacancies in the promotion rank concerned, further employment could be considered and the relevant applications would be subject to a fair and objective selection process making reference to the modus operandi for promotion and recruitment under which selection boards would be convened to consider applications for further employment; and
- (c) the adjusted further employment mechanism would continue to be subject to checks and balances by CSB and/or the Public Service Commission ("PSC"). HoGs/HoDs would be required to submit a report on the selection results of applications for further employment to CSB and/or PSC for scrutiny to ensure that the selection had been conducted in a fair and objective manner.

21. Mrs Regina IP said that many serving civil servants were disappointed that their retirement age would not be automatically extended by five years as in the case of for civil service new recruits. Barring the financial implications for automatic extension of the serving civil servants, Mrs IP asked about the reasons

for not providing serving civil servants an option to continue working in the civil service for a further five years after they reached the retirement age.

22. SCS responded that as there would be no anticipated significant succession or recruitment problems across the board over the coming decade or so, automatic extension of the service of serving civil servants might give rise to management problems such as manpower mismatch, promotion blockage and lack of healthy turnover. SCS further said that the initiative of raising the retirement age of civil service new recruits to 65 for civilian grades and 60 for disciplined services grades sought to take early actions to respond to demographic challenges arising from an ageing population and a shrinking labour force which were known to be coming in future years.

23. Mr TAM Yiu-chung asked whether civil service new recruits could opt for early retirement, and if so, how this would impact on their retirement benefits.

24. PSCS advised that similar to serving civil servants appointed on or after 1 June 2000 and under the New Permanent Terms ("NPT") of appointment, no provision for early retirement would be provided for civil servants recruited under the new retirement age. That said, if an officer on NPT of appointment left the civil service after 10 years of continuous service, he/she might withdraw the accrued benefits attributable to the Government's voluntary contribution under the Civil Service Provident Fund ("CSPF") Scheme. SCS added that as the Government's contribution rate under the CSPF Scheme would increase progressively with years of continuous service, the amount of retirement benefits which the officer concerned would receive upon resignation would be smaller than that arising from retirement.

25. Mr TAM Yiu-chung urged the Administration to engage retired disciplined services civil servants, having regard to the fact that the retirement age of serving disciplined services civil servants would not be automatically extended from 55 to 60.

26. SCS responded that there were cases whereby retired disciplined services civil servants had been engaged to undertake ad hoc duties (including part-time or time-limited ones) to meet operational needs. For example, retired staff in Customs and Excise Department ("C&SD") had been engaged by the department to assist in the enforcement actions relating to export control of powdered formula. To institutionalize such arrangements, the Administration would introduce a new Post-retirement Service Contract ("PRSC") Scheme for engaging retired civil servants on contract terms to fill non-directorate positions to perform/time-limited/seasonal tasks which required specific civil service expertise or experience.

Implementation of family-friendly employment practices in the civil service

27. Mr LEE Cheuk-yan said that the Administration was merely paying lip service to the implementation of family-friendly employment practices in the civil service. For example, the duration of paid paternity leave for eligible government employees remained at five working days, despite the call from the community for the duration to be extended to seven working days for all employees. Another example was the slow progress made in reducing the conditioned hours of work for Model Scale 1 ("MOD 1") grades from 45 hours net per week to 45 hours gross per week so that all MOD 1 staff could work five days a week as other civil servants.

28. SCS disagreed that the Administration was paying lip service to the implementation of family-friendly employment practices in the civil service. In respect of the granting of paid paternity leave for eligible government employees, SCS said that the implementation of the paternity leave scheme in all B/Ds had been smooth and the views on the paternity leave arrangements were positive. CSB would keep the paternity leave scheme under review having regard to the scope of statutory provision of paternity leave. As regards reducing the conditioned hours of work of MOD 1 staff, SCS said that when considering proposals to reduce the conditioned hours of work of a grade, it was necessary for the Administration to fully comply with the three prerequisites of cost-neutrality, no additional manpower, and maintaining the same level of service to the public to ensure prudent use of public funds and the upkeep of the level of service to the public, and to uphold the "same grade, same conditioned hours of work" principle for proper management of the civil service on parity grounds. Regarding the implementation of the five-day week initiative in the civil service since 1 July 2006 which aimed at improving the quality of civil servants' family lives, such implementation must satisfy four basic principles, i.e. no additional staffing resources, no reduction in staff's conditioned hours of service, no reduction in emergency services and continued provision of essential counter services on Saturdays/Sundays. Hitherto, some 70% of civil servants were working on five-day week. CSB would continue to encourage B/Ds to explore possible ways to migrate more staff to five-day week without compromising the above principles. There had been cases in which B/Ds continued to migrate staff to five-day week subject to the above-mentioned conditions. For instance, trial schemes were being conducted to test the viability of implementing five-day week in the Civil Engineering and Development Department and in the Youth and Correction Branch of the Social Welfare Department.

Civil service establishment

29. Mr LEUNG Che-cheung said that the civil service establishment had been substantially reduced from about 190 000 in 1999-2000 to about 160 000 in 2006-2007 through the Voluntary Retirement Scheme and the freeze on recruitment to the civil service. Although recruitment to the civil service had resumed in 2007-2008 and the civil service establishment had increased by about 1% annually since 2007-2008, Mr LEUNG asked whether consideration would be given to aligning the annual rate of increase of the civil service establishment with the annual growth rate of Hong Kong population to better meet the delivery of new policy initiatives and improve existing services to the public.

30. SCS responded that it was not desirable to rigidly determine the rate of increase of the civil service establishment on the basis of the population growth rate. A better approach was to increase the civil service establishment according to the additional manpower required by B/Ds to carry out new policy initiatives and improve existing services to the public. SCS pointed out that the reasons why the civil service establishment was reduced from about 190 000 in 1999-2000 to about 160 000 in 2006-2007 were to enhance public sector productivity and tackle the persistent fiscal deficit faced by the Government then. For the 2014-2015 financial year, the civil service establishment would grow by 1.5% to a projected 173 961. The percent increase was the highest year-on-year increase since 2007-2008. The Administration expected that the civil service establishment would be further increased in 2015-2016 to meet the manpower requirements for the delivery of new policy initiatives and improvement to existing services. Details would be published in the 2015-2016 Budget to be delivered on 25 February 2015.

Morale and political neutrality of civil servants

31. Mr LEUNG Che-cheung said that frontline Police were insulted by some protesters whilst discharging their duties during the "Occupy Central" movement. Mr LEUNG asked what measures would be taken by the Administration to boost the morale of Police officers. Mr LEUNG further said that he was concerned about fragmentation amongst civil servants due to different political stances, as it was reported in the media that some civil servants wore yellow ribbons to workplace to show their support for the "Occupy Central" movement.

32. SCS responded that the Police management had provided full support to the work of frontline Police in their handling of the "Occupy Central" movement. Suitable counselling services had also been provided to frontline Police to help them alleviate the great pressure and heavy workload in handling the "Occupy Central" movement. SCS further said that political neutrality was one of the

core values of the civil service and civil servants should support the implementation of policies of the Government of the day. Civil servants should not allow their own personal political affiliation or political beliefs to influence the discharge of their official duties and responsibilities.

Promotion in the civil service

33. Mr Tony TSE said that he had heard grievances from some civil servants that despite their exemplary work performance, they had to wait for a long time to get promoted in the civil service. Mr TSE urged the Administration to place more emphasis on merit, rather than years of service in the civil service, in the promotion of civil servants.

34. SCS responded that promotion could only take place if a vacancy arose or a new post was created in a promotion rank. On average, it took more than 14 years for a civil servant to get promoted. Selection for promotion was based on objective criteria with an aim to selecting the most meritorious officers who were able and ready to perform the more demanding duties in a higher rank. A younger civil servant with lesser years of service in the civil service could be selected for promotion if he/she stood out as the most suitable officer to take up duties in the higher rank.

Grade structure review ("GSR") for disciplined services grades

35. Mrs Regina IP said that since the last GSR for disciplined services grades conducted in 2008, the challenges faced by disciplined services grades staff had greatly increased due to the changing social, economic and political landscape over the past six years. Mrs IP urged that another GSR for disciplined services grades be conducted to examine whether the current remuneration for disciplined services grades staff remained valid and appropriate.

36. SCS responded that the Chief Executive-in-Council had decided in 2009 that, for greater flexibility, future GSRs for the disciplined services grades should be conducted as and when necessary in the light of significant changes in the job nature, responsibilities, proven recruitment and retention problems, etc. of the disciplined services. Such principles were also applied to the conduct of GSRs for other civil service grades. As none of the aforesaid conditions for justifying a GSR had occurred for the disciplined services grades, the Administration therefore did not see the need to invite the Standing Committee on Disciplined Services Salaries and Conditions of Services to conduct a GSR for the disciplined services grades at this stage but would keep this in view should circumstances change. SCS further said that independent of a GSR, should any one of the seven disciplined services staff encounter difficulties in discharging

their duties, suitable measures, such as increasing manpower support and streamlining work procedures, could be implemented by the departmental management.

Employment of non-civil service contract ("NCSC") staff

37. Mr KWOK Wai-keung said that of the 12 147 full-time NCSC staff employed as at 30 June 2014, 4 533 were employed for five years or more. During the period from March 2006 to June 2014, B/Ds separately identified about 2 960 NCSC positions for replacement by civil service posts. As at 30 June 2014, only some 2 335 of the 2 960 NCSC positions had been replaced by civil service posts. Mr KWOK urged the Administration to expedite replacement of NCSC positions by civil service posts as far as practicable.

38. SCS responded that a NCSC position would be phased out and replaced by a civil service post if its long term service needs could be established. For those NCSC staff who wished to become civil servants, SCS pointed out that NCSC staff with suitable working experience in the Government generally had an edge over other applicants in applying for the civil service posts. The success rate of NCSC staff in applying for civil service posts was around 16%, whereas the success rate of other applicants was only about 2%. SCS further said that the Administration would continue to closely monitor the employment situation of NCSC staff and update the Panel on a regular basis.

Manpower situation of trading fund departments

39. Mr WONG Kwok-hing said that the problem of "different pay for performing same kind of job" was common in trading fund departments. The Hongkong Post ("HKP") was a case in point. Mr WONG asked whether, and if so, when CSB would conduct a review on the operation of the trading fund departments.

40. SCS responded that the operation of trading fund departments should be reviewed by their respective responsible policy bureaux. SCS pointed out that notwithstanding their trading fund status, trading fund departments remained a Government department. Insofar as manpower management was concerned, trading fund departments were required to comply with regulations, rules and guidelines promulgated by CSB with regard to both civil servants and NCSC staff. The Postmaster General had briefed members on the manpower situation of HKP at the meeting of the Panel held on 16 December 2013.

IV. Extension of the service of civil servants

LC Paper No. CB(4)343/14-15(04) -- Administration's paper on "Extension of the service of civil servants"

Briefing by the Administration

41. SCS briefed members on the way forward for extending the service of civil servants, details of which were set out in the Administration's paper (LC Paper No. CB(4)343/14-15(04)).

Discussion

Further employment of civil servants

42. Mr Martin LIAO enquired about the measures that would be put in place to ensure that the selection of civil servants for further employment beyond their retirement age in the civil service would be conducted in a transparent and objective manner.

43. SCS responded that the existing further employment mechanism was already subject to checks and balances by CSB and/or PSC as appropriate. To further address staff's concern about the selection process for avoiding a culture of cronyism or flattery in the civil service, the selection process would be institutionalized by making reference to the modus operandi for promotion and recruitment under which selection boards would be convened to consider applications for further employment. HoG/HoD would be required to submit selection board reports to CSB and/or PSC as appropriate for scrutiny to ensure that the selection process was fair and objective. PSCS supplemented that detailed guidelines setting out the criteria and procedures for considering applications for further employment would be drawn up by CSB. CSB would consult the grade/departmental management and the staff sides before finalizing the guidelines for implementation.

44. Responding to the Chairman's enquiry on when the detailed guidelines governing the selection process under the adjusted further employment mechanism would be implemented, PSCS said that the Administration's target was to hammer out the implementation details in around mid-2015 after consultation with the management and staff sides.

45. Miss CHAN Yuen-han expressed reservation about the effectiveness of the measures mentioned in paragraph 43 above to ensure that the selection process under the adjusted further employment mechanism would be conducted in a fair and objective manner. Miss CHAN considered that so long as the applications for further employment were considered and vetted by the bureau/departmental management, the development of a culture of cronyism or flattery could not be avoided.

46. SCS responded that it was necessary for applications for further employment to be subject to selection by the grade/departmental management so as to avoid management problems including manpower mismatch. PSCS supplemented that the adjusted further employment mechanism would continue to be subject to checks and balances by CSB and/or PSC. Arrangements would also be in place to handle relevant complaints, if any, about deviation from the procedures or guidelines on the adjusted mechanism to be promulgated in due course.

Automatic extension of the service of serving civil servants

47. Mr LEE Cheuk-yan said that to effectively avoid the development of a culture of cronyism or flattery in the civil service, the Administration should give all serving civil servants the option to extend their service beyond their current retirement age up to the retirement age to be set for new recruits without going through any selection by the management. Mr LEE pointed out that to do so should not adversely impact on the promotion prospects of younger serving officers, as younger serving officers also had the same option to extend their service and they could have the chance to fill vacancies at the promotion ranks upon the retirement of the post-holders. Mr LEUNG Kwok-hung expressed similar views.

48. SCS responded that the Administration had carefully considered the feedback received through the consultation on extension of the service of civil servants, including the views that all serving civil servants should be given the option to extend their service beyond their current retirement age up to the retirement age to be set for new recruits without going through any selection by the management. As there would be no anticipated significant succession or recruitment problems across-the-board over the coming decade or so, the Administration was mindful of the management problems which might come with automatic extension of the service of serving civil servants, including manpower mismatch and adverse impacts on the employment prospects of younger generations and promotion prospects of serving civil servants.

49. Mr Tony TSE asked whether consideration could be given to providing all serving civil servants, who had been appointed on or after 1 June 2000 and on the NPT of appointment (i.e. those on the CSPF Scheme), the option to extend their service beyond their current retirement age up to 65 in respect of civilian grades or 60 in respect of disciplined services grades without going through any selection by the management, if these civil servants agreed to be on the adjusted CSPF contribution scales for new recruits set out in paragraph 11 of the Administration's paper.

50. SCS responded that delineating which categories of serving civil servants should be subject to a higher retirement age would be impractical and divisive. As the challenges brought about by an ageing population to B/Ds would be a dynamic process, the Administration considered it more appropriate to devise a mechanism through which management could flexibly retain staff beyond retirement age in the light of operational needs, succession planning and recruitment situation, which varied from grade to grade and from time to time. In this regard, the Administration saw merits to enhance the flexibility of the further employment mechanism, which would strike a balance among various considerations, including addressing demographic challenges, meeting operational needs, and responding to the aspirations of different cohorts of civil servants.

Higher retirement age for new recruits

51. Mr TANG Ka-piu said that to his understanding, some staff from the Correctional Services Department, the Hong Kong Police Force and the Fire Services Department considered that the retirement age of disciplined services new recruits should remain at 55 because their jobs were physically demanding. Mr TANG urged the Administration to listen more carefully to the views of the staff sides of disciplined services before raising the retirement age of disciplined services new recruits from 55 to 60. Miss CHAN Yuen-han expressed similar views.

52. SCS reiterated that the Administration had carefully considered all the views received through the consultation, including the views of staff bodies from the disciplined services. In the Consultation Paper on "Extension of the Service of Civil Servants", it was proposed that the retirement age of new recruits of disciplined services grades, regardless of their ranks, be extended to 57, which might be further extended up to the age limit of 60 subject to an annual suitability assessment. Taking into account the views received during the consultation, including those from disciplined services staff bodies, and subsequent discussion with the management of the disciplined services departments, the Administration had suitably refined the proposal to the effect that the retirement age for new

recruits of disciplined services, regardless of their ranks, would be extended to 60. On possible concern about the physical fitness of disciplined services staff aged between 57 and 60, individual disciplined services departments would devise suitable staff deployment arrangements taking into account the prevailing circumstances.

53. Mr TANG Ka-piu pointed out that unlike the disciplined services staff who joined the civil service some 20 years ago were mainly secondary school graduates and therefore were mostly in their teens when joining the civil service, most disciplined services staff nowadays had post-secondary qualifications and were in their early twenties when joining the civil service. This, and coupled with the distinct physical requirements for the disciplinary services grades, it might not be possible for all disciplined services new recruits to work until they were 60 years old so as to be eligible for the higher CSPF contribution rate at 22% or 25% under the adjusted CSPF contribution scales. Mr TANG queried whether adjusting the CSPF contribution scales for new recruits by lengthening the years of service in order to jump to the next higher contribution rate was a ploy to save money.

54. SCS pointed out that with the adoption of a higher retirement age for new recruits, if the existing contribution scale of the CSPF Scheme remained unchanged, the new recruits who would be subject to a higher retirement age would have a longer period of time to enjoy the higher contribution rates and so the Government's expenditure on annual CSPF/Mandatory Provident Fund ("MPF") contributions would increase. Adjustments to the CSPF contribution scale for new recruits would be made to maintain the Government's MPF/CSPF contributions at 18% of the overall salary cost, which was endorsed by the Executive Council in 2001.

55. Mr LEE Cheuk-yan said that being a good employer, the Government should continue to provide the CSPF contribution at a rate of 25% for new recruits who had completed 30 years and above of continuous service.

56. SCS responded that it was an established policy of the Administration to keep the Government's MPF/CSPF contributions at 18% of the overall salary cost. SCS remarked that the CSPF Scheme compared more favourably than the retirement benefits provided by many companies to their employees in the private market.

57. Mr KWOK Wai-keung noted that civil servants subject to the adjusted CSPF contribution scales had to complete three to below 18 years of continuous service in order to be eligible for the CSPF contribution rate at 15%; 18 to below 24 years of continuous service in order to be eligible for CSPF contribution rate at

17%; and 24 to below 30 years of continuous service in order to be eligible for CSPF contribution rate at 20%. As it could not be ruled out that some civil servants subject to the adjusted CSPF contribution scales would leave the civil service long before their normal/prescribed retirement age for private sector organizations, Mr KWOK suggested shortening the number of years for jumping to the next contribution scale.

58. SCS pointed out that the design of the CSPF Scheme was characterized by progressive contribution rates by the Government depending on the civil servants' completed years of continuous service to encourage staff to stay longer in the civil service.

59. Mr KWOK Wai-keung noted from paragraph 11 of the Administration's paper that the Special Disciplined Services Contribution ("SDSC") for disciplined services staff would remain at the existing rate of 2.5% for disciplined services new recruits. Mr KWOK enquired whether staff bodies from disciplined services had been consulted on and agreed to this decision. SCS replied that the SDSC was provided to disciplined services staff in recognition of their earlier retirement age vis-à-vis civilian staff. Given that the difference between the retirement age of new recruits to the civilian grades (65) and disciplined services grades (60) would remain as five years as at present, the Administration considered it appropriate to maintain the SDSC at the existing rate.

Employment of retired civil servants

60. Mr KWOK Wai-keung said that with a longer life expectancy, many people were willing or able to work longer beyond 60 years of age. Mr KWOK hoped that the Government's plan to extend the service of civil servants would not merely focus on addressing the succession needs of B/Ds and would also focus on providing further employment opportunities for civil service retirees.

61. SCS responded that the Government appreciated that many civil servants aspired to continue their contributions to society after retirement. Amongst other things, the Government would introduce a PRSC Scheme for employing retired civil servants on contract terms, on a targeted basis, to fill non-directorate positions for undertaking ad hoc duties requiring specific civil service expertise or experience. The control regime of post-service employment for non-directorate civil servants at junior ranks would also be streamlined to facilitate their taking up of outside work after retirement, if they so wished.

The new PRSC Scheme

62. Mr TANG Ka-piu noted from paragraph 18 of the Administration's paper that the new PRSC Scheme would enable HoGs/HoDs to adjust their staffing level and staff mix to meet various needs, including operational needs. In the light of this, Mr TANG enquired whether there would be a mechanism to prevent HoGs/HoDs from employing retired civil servants under the PRSC Scheme to fill and/or delay filling civil service vacancies in order to save costs.

63. SCS responded that there was no cause for concern given the different nature of civil service posts and non-civil service positions under the PRSC Scheme. Whilst civil service posts would cover service needs of a permanent nature, the tasks to be taken up by retired civil servants under the PRSC Scheme were ad hoc/time-limited/seasonal tasks that should not be undertaken by civil service posts. PSCS supplemented that although retired civil servants under the PRSC Scheme would be employed on contract terms, they should not be confused with staff employed by B/Ds under the NCSC Staff Scheme, as the former involved ad hoc tasks requiring civil servant expertise and/or experience.

64. Miss CHAN Yuen-han said that she had handled many complaints lodged by civil servants against the handling of the employment of NCSC staff by HoGs/HoDs. As the employment of retired civil servants under the PRSC Scheme would be decided by HoGs/HoDs as in the case of the employment of NCSC staff, it was incumbent upon the Administration to put in place a mechanism to ensure that the selection process under the PRSC Scheme was made through a fair and objective process.

V. Any other business

65. There being no other business, the meeting ended at 12:40 pm.