

**立法會**  
**Legislative Council**

LC Paper No. CB(4)929/14-15  
(These minutes have been seen  
by the Administration)

Ref : CB4/PL/PS

**Panel on Public Service**

**Minutes of meeting held on**  
**Monday, 16 March 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 Emily LAU Wai-hing, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon Claudia MO  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon TANG Ka-piu, JP  
Hon Tony TSE Wai-chuen, BBS

**Member attending** : Hon WONG Kwok-hing, BBS, MH

**Members absent** : Dr Hon LEUNG Ka-lau  
Hon LEUNG Kwok-hung  
Hon SIN Chung-kai, SBS, JP  
Hon IP Kin-yuen

**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

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

Miss Winnie TSE  
Acting Deputy Secretary for the Civil Service 2

Mr Anthony MAK  
Principal Assistant Secretary for the Civil Service  
(Training and Development)

Agenda item IV

Mr Paul TANG, JP  
Secretary for the Civil Service

Mr Raymond H C WONG, JP  
Permanent Secretary for the Civil Service

Miss Winnie TSE  
Acting Deputy Secretary for the Civil Service 2

**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

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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)614/14-15(01) -- List of outstanding items for discussion

LC Paper No. CB(4)614/14-15(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, 20 April 2015 at 10:45 am:

(a) Use of agency workers; and

(b) The manpower situation and the request for a grade structure review of civil service lifeguards.

3. Mr LEE Cheuk-yan suggested to invite representatives from the civil service staff unions/associations to give views on the way forward for extending the service of civil servants at a future meeting of the Panel. Members agreed.

**III. Civil service-related issues featuring in the 2015-2016 Budget**

LC Paper No. CB(4)614/14-15(03) -- Administration's paper on "Civil Service-related Matters Featured in the 2015-2016 Budget"

Briefing by the Administration

4. Secretary for the Civil Service ("SCS") briefed members on the civil service-related matters featured in the 2015-2016 Budget, details of which were

set out in the Administration's paper (LC Paper No. CB(4)614/14-15(03)).

Discussion

*Civil service establishment*

5. Mr LEE Cheuk-yan pointed out that of the 2 540 civil service new posts to be provided in 2015-2016, 434 posts were for the newly established Working Family and Student Financial Assistance Agency, some 600 posts were for replacing non-civil service contract ("NCSC") positions for which the long-term need had been established and 603 posts were for the Hong Kong Police Force ("HKPF"). As only about 900 new posts were to be provided in other bureaux/departments ("B/Ds"), Mr LEE queried whether it was the Government's objective to contain the growth of civil service establishment as far as possible. Mr LEE further queried whether providing 603 new posts in the HKPF was a political decision.

6. SCS said that as civil service establishment was funded by public money, it was incumbent upon the Government to keep the civil service establishment under control. Nevertheless, the Government would allow an increase in the civil service establishment where justified for meeting operational needs. Similar to that of 2014-2015, the civil service establishment for 2015-2016 would grow by 1.5%. Such percentage increase was amongst the highest year-on-year increases since 2007-2008. Apart from the HKPF, in 2015-2016, many B/Ds would also increase their establishment to meet manpower needs that could not be addressed through other means such as redeployment of existing staff and adoption of alternative modes of delivery (e.g. automation, outsourcing, etc.). There was no question that the creation of the 603 new civil service posts in the HKPF was based on political consideration.

7. Mr LEE Cheuk-yan said that he was not convinced that the provision of 603 new civil service posts in the HKPF was not a political decision. Mr LEE maintained his view that the fact that 603 of the 2 540 new civil service posts to be created in 2015-2016 were in the HKPF was unfair to other B/Ds which also had manpower needs.

8. SCS responded that the addition of 603 civil service posts in the HKPF only constituted a 1.8% increase in the staff establishment of the HKPF, which was not the highest percent increase in staff establishment amongst all other B/Ds in 2015-2016.

9. Noting the Financial Secretary ("FS")'s request for B/Ds to deliver 1% savings on their respective annual operating expenditure in 2016-2017 and

2017-2018, Mr LEE Cheuk-yan asked whether this would mean that there would be no growth, or even reduction, in civil service establishment in the coming two years.

10. SCS responded that as explained by FS earlier, the objective of the cost savings exercise was to take timely action to ensure the sustainability of public finance and to re-allocate resources saved for providing new public services. Under the aforesaid exercise, whilst B/Ds should strive to introduce efficiency measures through re-engineering and re-prioritizing, new posts would still be created for delivering new services where justified.

11. Whilst agreeing that there was a need to keep the civil service establishment under control to ensure prudent use of public money, Ms Emily LAU queried whether the increase of additional civil service posts in certain B/Ds in 2015-2016, such as only 29 posts in the Social Welfare Department, 106 posts in the Immigration Department and 61 posts in the Customs and Excise Department, was adequate to meet operational needs. In the light of this, Ms LAU asked about the procedures for seeking creation of additional civil service posts by B/Ds.

12. SCS responded that all requests from B/Ds for the creation of additional civil service posts, to be made on a yearly basis, would be carefully considered by CSB and the Financial Services and the Treasury Bureau ("FSTB"). Should the requests be considered to be fully justified by CSB in accordance with the conditions set out in paragraph 6 above and supported by FSTB from a fiscal perspective, such requests would be forwarded to the Chief Secretary for Administration and FS for endorsement.

13. Noting that the Home Affairs Bureau ("HAB") planned to amend legislation to combat illegal guesthouses, Ms Emily LAU asked why the number of additional civil service posts to be provided in HAB and the Home Affairs Department ("HAD") in 2015-2016 was only 19 and 24 respectively.

14. Permanent Secretary for the Civil Service responded that the Administration would provide new resources to B/Ds for implementing new initiatives/policies/services which could not be achieved through redeployment of existing resources. Hence, if considered necessary, HAB/HAD could seek additional resources for creating civil service posts in accordance with the established mechanism to implement the amended legislation.

15. In view of the impending District Council Elections in November 2015, Ms Emily LAU said that the Registration and Electoral Office ("REO") should consider hiring retired civil servants to assist voter registration and polling work.

16. SCS responded that REO and other B/Ds were well aware that they could employ NCSC staff to meet service needs which were time-limited or seasonal. SCS added that the new Post-retirement Service Contract Scheme to be implemented would provide more flexibility for B/Ds as they would be encouraged to engage retired civil servants to fill non-directorate positions for undertaking ad hoc/time-limited duties requiring specific civil service expertise and/or experience.

17. Noting from the Annex to the Administration's paper that 139 civil service posts in the Hospital Authority ("HA") would be deleted in 2015-2016, the Chairman asked whether such deletions were due to the departures of civil servants working in HA. SCS replied in the positive.

#### *Employment of NCSC staff*

18. Mr TANG Ka-piu noted that from paragraph 7 of the Administration's paper ((LC Paper No. CB(4)235/14-15(03)) for the meeting of Panel held on 15 December 2014 that between March 2006 and June 2014, B/Ds separately identified about 2 960 NCSC positions for replacement by civil service posts. As at 30 June 2014, 2 335 of such positions had been phased out and replaced by civil service posts. Mr TANG asked whether the some 600 posts that would be created in B/Ds in 2015-2016 were to replace the 620 odd NCSC positions identified by B/Ds between March 2006 and June 2014 for replacement by civil service posts (about 2 960 minus 2 335). Director of General Grades replied that the some 600 civil service posts to be created in 2015-2016 were new posts for replacing NCSC positions on top of what had been reported at previous panel meetings.

19. As the review of the employment situation of NCSC staff by CSB, in conjunction with B/Ds, was last conducted in 2006, Mr TANG Ka-piu asked whether the Administration would conduct another review on the employment situation of NCSC staff in the near future to identify more NCSC positions for replacement by civil service posts. Mr KWOK Wai-keung raised a similar question.

20. SCS responded that the Administration did not consider it necessary to conduct another review of the employment situation of NCSC staff for the following reasons. First, Permanent Secretaries and Heads of Departments (hereafter shortened as HoDs) were well aware of the established policy that NCSC positions with long term services needs should be replaced by civil service posts in the long run. Second, the review had been an ongoing process under which CSB and B/Ds had sought to replace NCSC positions by civil service posts

where appropriate. Third, CSB would update the Panel annually on the employment situation of NCSC staff.

21. On Mr TANG Ka-piu's enquiry as to whether the Administration had set a timetable and or target for replacing all NCSC positions by civil service posts, SCS replied that the NCSC Staff Scheme, introduced in 1999, aimed at providing HoDs with a flexible means of employment to respond more promptly to changing operational and service needs of B/Ds (i) which might be time-limited, seasonal, or subject to market fluctuations; or (ii) which required staff to work less than the conditioned hours; or (iii) which required tapping the latest expertise in a particular area; or (iv) where the mode of service delivery was under review or likely to be changed. CSB and B/Ds aimed to replace those NCSC positions which involved work with permanent service needs by civil service posts. That said, for some services which were long-term in nature, it might not be appropriate to meet the manpower need by civil service posts, such as those which only required staff to work less than the conditioned hours required of civil servants or to work during certain months in a year.

22. Whilst expressing support for creating some 600 posts in B/Ds for replacing NCSC positions in 2015-2016, Mr WONG Kwok-hing pointed out that the numbers of full-time NCSC staff employed by trading funds departments, such as the Hongkong Post ("PO"), remained high. As NCSC staff generally received less pay than their civil service counterparts for doing the same job, Mr WONG urged CSB to take up with the highest echelon in the Government on the possibility of reverting some trading fund departments, such as the PO which was operating in a deficit despite the fact that half of its workforce was NCSC staff, to government departments employing civil servants only.

23. SCS responded that the operation of trading fund departments should be reviewed by their respective responsible policy bureaux. SCS pointed out that as trading fund departments were responsible for their own finances, it was necessary to provide them with greater flexibility to recruit NCSC staff to cater for the business fluctuation. Notwithstanding their trading fund status, trading fund departments, similar to other B/Ds, were required to review their engagement of NCSC staff from time to time. For permanent service needs, they should seek necessary resources to replace the concerned NCSC positions with civil service posts where appropriate. As civil service and NCSC appointments were for different purposes, their employment packages were not comparable.

24. Mr LEE Cheuk-yan enquired whether consideration would be given to automatically offering those NCSC staff, whose length of continuous service was five years or more, civil service posts if the NCSC positions held by these staff

were replaced by civil service posts.

25. SCS replied in the negative, and underlined that appointments to the civil service were based on the principle of open and fair competition. SCS however pointed out that in general, those NCSC staff with suitable working experience in the Government would have 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%.

*Protecting the interests of agency and outsourced workers*

26. Referring to a recent case of outsourced workers being owed wages from an outsourced service provider procured by the Leisure and Cultural Services Department ("LCSD") to provide public library service, Mr WONG Kwok-hing urged the Administration to implement measure(s) to protect the interests of outsourced workers. Mr KWOK Wai-keung expressed a similar view, and suggested that the Administration should review whether outsourcing of public services should be retained.

27. SCS responded that outsourcing was one of the ways adopted by B/Ds to deliver public services. Whether outsourcing of services was required was at the discretion of individual B/Ds having regard to their operational needs. SCS further said that although the procuring B/Ds did not have a contractual relationship with outsourced workers, B/Ds, in selecting outsourced service providers, would take into account factors such as past performance and employees' remunerations. Hence, if an outsourced service provider, say, had defaulted on payment of wages to its employees, this would affect its chance of being selected by the B/D concerned again.

28. Mr KWOK Wai-keung suggested that LCSD should pay wages to the outsourced public library workers, so that these workers did not have to apply for ex-gratia payment from the Protection of Wages on Insolvency Fund or seek the court's assistance to recover arrears of wages. Mr KWOK requested SCS to follow up with the Director of Leisure and Cultural Services on ways to help the outsourced public library workers recover their outstanding wages. SCS undertook to ask the Director to revert to members in writing.

29. Mr LEE Cheuk-yan said that the Administration, as a procurer of services, had the responsibility to pay wages to outsourced workers as well as agency workers if their employers had defaulted on payment. Mr LEE further said that outsourced service providers and employment agencies hired by B/Ds for the supply of agency workers should be required to adjust the pay of their employees



annually and to adopt family friendly work policies, such as granting paid paternity leave to male employees and giving employees 17 general holidays.

30. SCS responded that as the procuring B/Ds did not have a contractual relationship with outsourced workers and agency workers, the B/Ds concerned were not in a position to specify the terms and conditions of employment of these workers. However, the procuring B/Ds could specify in the service contracts that the wages of outsourced workers and agency workers must comply with the prevailing labour legislation.

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

LC Paper No. CB(4)614/14-15(04) -- Administration's paper on "Overview of medical and dental benefits for civil servants, pensioners and eligible dependants"

LC Paper No. CB(4)614/14-15(05) -- Updated background brief on "Medical and dental benefits for civil servants, pensioners and eligible dependants" prepared by the Legislative Council Secretariat

31. SCS briefed members on the latest overview on the provision of medical and dental benefits (hereafter referred to as "civil service medical benefits") to civil service eligible persons ("CSEPs"), details of which were set out in the Administration's paper (LC Paper No. CB(4)614/14-15(04)).

32. Mr WONG Kwok-hing urged the Administration to review the provision of Chinese medicine services to CSEPs, as Chinese medicine had gained wide recognition in the community in treating various diseases and that medical certificates issued by registered Chinese medicine practitioners were recognized for the grant of sick leave.

33. SCS responded that medical services for CSEPs were provided through the Department of Health ("DH") and HA. Presently, DH 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 directly operate any CMCs on its own. Each of the public CMCs was operated on a tripartite collaboration model involving HA, a non-governmental organization ("NGO") and a local university to promote the development of "evidence-based" Chinese medicine.

The NGOs were responsible for the day-to-day operation of CMCs and staff of CMCs were employed by the NGOs. Having regard to the main purpose and mode of operation of CMCs, services provided by CMCs were not regarded as part of HA's standard services and hence fell outside the scope of civil service medical benefits under the prevailing policy. The Administration 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 public Chinese medicine services in future that would merit a review of their implications on civil service medical benefits.

34. Mr WONG Kwok-hing hoped that representatives of DH and HA would be invited to join the discussion of the issue of provision of medical services for CSEPs in future.

35. Mr LEE Cheuk-yan asked whether consideration would be given to providing Chinese medicine services at the families clinics set up for the exclusive use by CSEPs.

36. SCS responded that as families clinics were run by DH, it was not possible for Chinese medicine services to be provided at these clinics because Chinese medicine out-patient service was not a standard service provided by DH.

37. Mr LEE Cheuk-yan said that the Government, as an employer, had a contractual obligation to provide the best available medical services for CSEPs. Mr LEE asked CSB whether it would consider contracting out families clinics to private providers so as to cover the provision of Chinese medicine services for CSEPs. SCS replied in the negative, as CSB did not have the professional expertise to contract out such operation.

**V. Any other business**

38. There being no other business, the meeting ended at 11:50 am.