

# **立法會**

## ***Legislative Council***

LC Paper No. CB(4)1007/15-16

(These minutes have been seen  
by the Administration)

Ref : CB4/PL/PS

### **Panel on Public Service**

**Minutes of meeting held on  
Monday, 21 March 2016, at 10:45 am  
in Conference Room 3 of the Legislative Council Complex**

**Members present** : Hon POON Siu-ping, BBS, MH (Chairman)  
Hon WONG Kwok-hing, BBS, MH (Deputy Chairman)  
Hon LEE Cheuk-yan  
Hon Emily LAU Wai-hing, JP  
Dr Hon LEUNG Ka-lau  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Claudia MO  
Hon KWOK Wai-keung  
Hon TANG Ka-piu, JP  
Dr Hon CHIANG Lai-wan, JP

**Members absent** : Hon LEUNG Kwok-hung  
Hon IP Kin-yuen  
Hon Tony TSE Wai-chuen, BBS

**Public officers  
attending** : Item III

Civil Service Bureau

Mr Clement CHEUNG, JP  
Secretary for the Civil Service

Mr Thomas CHOW, JP  
Permanent Secretary for the Civil Service

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

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

Mr Peter CHAN, JP  
Director of General Grades

Ms Winnie TSE  
Acting Deputy Secretary for the Civil Service 2

Item IV

Civil Service Bureau

Mr Clement CHEUNG, JP  
Secretary for the Civil Service

Mr Thomas CHOW, JP  
Permanent Secretary for the Civil Service

Mr Paul CHEUNG  
Acting Deputy Secretary for the Civil Service 2

The Joint Secretariat for the Advisory Bodies on  
Civil Service and Judicial Salaries and Conditions  
of Service

Ms Winnie NG, JP  
Secretary General

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

**Staff in attendance :** Miss Joyce CHING  
Senior Council Secretary (4)2

Ms Jacqueline LAW  
Council Secretary (4)2

Miss Vivian YUEN  
Legislative Assistant (4)2

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Action

**I. Information paper(s) issued since the last meeting**

There was no information paper issued since the last meeting.

**II. Items for discussion at the next meeting**

LC Paper No. CB(4)715/15-16(01) -- List of outstanding items  
for discussion

LC Paper No. CB(4)715/15-16(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 18 April 2016 at 10:45 am:

- (a) An overview of the civil service establishment, strength, retirement, resignation and age profile; and
- (b) Employment of ethnic minorities in the civil service.

3. Ms Emily LAU proposed to discuss the issue of outsourcing arrangements of public services at the Panel meeting in April 2016.

4. Secretary for the Civil Service ("SCS") responded that the Panel on Public Service might not be the most relevant Panel to discuss the issue of outsourcing arrangements of public services which did not concern civil service matters but procurement of outside services by Bureaux/Departments ("B/Ds") for the delivery of public services.

5. Ms Emily LAU requested the Secretariat to find out the most relevant Panel(s) to discuss the issue of outsourcing arrangements of public services after the meeting.

*(Post-meeting note:* The Secretariat verbally informed Ms Emily LAU after the meeting that the issue of "Government policy

relating to the outsourcing of service contracts" was on the list of items for discussion by the Panel on Manpower.)

### **III. Civil service-related matters featured in the 2016-2017 Budget**

LC Paper No. CB(4)715/15-16(03) -- Administration's paper on the "Civil Service-related Matters Featured in the 2016-2017 Budget"

#### Briefing by the Administration

6. SCS briefed members on the civil service-related matters featured in the 2016-2017 Budget, details of which were set out in the Administration's paper (LC Paper No. CB(4)715/15-16(03)).

#### Discussion

#### Civil service establishment in trading fund departments

7. Mr TANG Ka-piu welcomed the growth in civil service establishment with 2 223 additional civil service posts in 2016-2017, despite the fact that the B/Ds were requested to deliver 1% savings on their respective annual operating expenditure in 2016-2017 and 2017-2018. Mr TANG however expressed concern about the operation of the trading fund departments, particularly the Hongkong Post ("PO") and the trading fund arm of Electrical and Mechanical Services Department ("EMSD"). Mr TANG said that both civil servants and non-civil service contract ("NCSC") staff of the trading fund departments were constantly required to work overtime to meet the operational requirements. Nevertheless, the civil service establishment of trading fund departments was not allowed to expand due to their trading fund status. The trading fund departments were also criticized by Audit Commission on their cost-effectiveness in manpower management and excessive overtime work undertaken by the staff. Mr TANG was of the view that the recent news about the hiring of illegal workers by the service contractors of PO evidenced that the current civil service establishment of trading fund departments was inadequate to meet the service demands. Mr TANG questioned whether it was the Government's policy to contain the growth of civil service establishment in EMSD and PO.

8. SCS responded that manpower would be increased as and when it was fully justified. He understood that the civil service establishment of trading fund departments was generally stable in the past years. Some of the trading fund departments would re-grade the ranks of certain civil service posts within the current establishment to meet its operational needs. Additional civil service posts would be provided to trading fund departments when the operational need was fully justified, and the manpower needs could not be addressed through other means such as redeployment of existing staff or employment of NCSC staff.

9. Mr TANG Ka-piu further said that the morale of staff in trading fund departments was seriously affected as the requests for increasing civil service posts to meet the manpower need had always been rejected by the Government. The EMSD was a case in point. The number of civil service posts in the trading fund arm of EMSD stood at 3 533 for many years. Some of the frontline civil service posts in the EMSD were even replaced by NCSC positions. Mr TANG opined that the civil service establishment of trading fund departments was far from adequate to cope with the increasing workload and new service demands. In the light of this, he urged the Civil Service Bureau ("CSB") to liaise with the Financial Secretary and the respective responsible policy bureaux to review the operation of the trading fund departments.

10. SCS replied that the Government would allow an increase in civil service establishment where justified for delivering effective services to the public. As stated in Annex to the Administration's paper, additional civil service posts would be created in EMSD and Land Registry. The departments operating as trading funds were provided with greater flexibility to cope with the volatile business environment through various means such as adopting alternative modes of service delivery. These departments had also deployed a mix of civil servants and NCSC staff to address their manpower needs. Where justified, the Administration would consider requests for additional civil service posts put up by the trading fund departments.

#### Recruitment of civil servants

11. Whilst welcoming the creation of 2 223 additional civil service posts in 2016-2017, Mr LEE Cheuk-yan hoped that such posts could be filled as soon as practicable so as to better alleviate the workload of civil servants and ensure quality service to the public. Mr LEE requested the Administration to provide information on the average time taken by B/Ds

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to complete recruitment exercises and any targets in this regard. SCS undertook to provide the information after the meeting.

Implementation of five-day week in the civil service

12. Mr WONG Kwok-hing said that although the Government implemented the five-day week initiative starting from 2006 with the objective of improving the quality of civil servants' family life, frontline staff of some government departments, such as the Food and Environmental Hygiene Department ("FEHD"), still could not enjoy a five-day week work pattern. In the light of this, Mr WONG urged CSB to work out with the departments concerned a road map and timetable to enable their frontline staff to work on a five-day week work pattern.

13. SCS responded that in implementing the five-day week initiative, B/Ds had to abide by four basic principles, i.e. no additional staffing resources; no reduction in the conditioned hours of work of individual staff; no reduction in emergency services; and continued provision of some essential counter services on Saturdays/Sundays. Biennial surveys were conducted by CSB on the implementation of five-day week in B/Ds. As revealed by the last survey conducted in 2014, around 72.4% of the then prevailing civil service strength was working on a five-day week work pattern. Civil servants who were unable to do so covered mainly those belonging to the disciplinary forces and frontline staff of departments such as FEHD and the Leisure and Cultural Services Department. In this regard, CSB had been actively encouraging the departments concerned to migrate their staff to five-day week, subject to the aforesaid four basic principles and after staff consultation. For instance, trial schemes had been carried out in the Civil Engineering and Development Department and the Social Welfare Department, the results of which were positive. Similar initiative to try out a five-day week work pattern would hopefully be carried out in FEHD as well.

14. Mr WONG Kwok-hing urged CSB to conduct another biennial survey on the implementation of five-day week in the civil service. Mr WONG further urged CSB to actively follow up with FEHD on expeditiously coming up with a timetable for migrating all frontline staff to a five-day week work pattern. According to FEHD staff, it should be feasible to fully implement a five-day week work pattern without affecting the overall level and efficiency of services or incurring additional costs to taxpayers.

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

15. Mrs Regina IP said that concern had been raised by some civil servants that the shortage of doctors and nurses might render it not possible for the new Families Clinic in Fanling to meet the medical demands of CSEPs.

16. SCS referred to discussions at the last Panel meeting on 15 February 2016 and reiterated that DH had continued to conduct recruitment exercises for doctors and was able to identify suitable candidates each time, adding that manpower was adequate for three of the planned 10 consultation rooms of the new Families Clinic in Fanling to commence service in March 2016. Based on past experience, patronage of new families clinics would not be high during the early stage of their opening when CSEPs tended to stay with the families clinics they had been using. Depending on prevailing usage of the three consultation rooms at the new Families Clinic in Fanling, the remaining seven consultation rooms would be put into service as and when required.

17. The Chairman noted from Annex to the Administration's paper that a total of 116 civil service posts would be created in DH in 2016-2017 and asked about the relationship between these additional posts and the three consultation rooms in the new Fanling Families Clinic. SCS confirmed that all civil service posts required to support full operation of the new Fanling Families Clinic had already been approved.

18. Notwithstanding the fact that Chinese medicine services fell outside the scope of civil service medical benefits under the prevailing policy because currently they were not provided by DH and Hospital Authority ("HA") as standard services, Mrs Regina IP asked whether consideration could be given to at least including acupuncture and bone-setting as part of the medical benefits for CSEPs.

19. SCS responded that this suggestion was not pursuable until a policy decision was reached on the role of Chinese medicine in the public healthcare system, including integration of Chinese and western medicine.

Employment of illegal workers by Government service contractors

20. On a recent newspaper reporting about illegal workers hired by service contractors of PO referred to by Mr TANG Ka-piu and

Mr WONG Kwok-hing, SCS said that the Government had zero tolerance on such transgressions.

Manpower of the HA

21. Dr CHIANG Lai-wan noted from Annex to the Administration's paper that there would be a decrease of 135 civil service posts in HA in 2016-2017 and queried about the underlying reason(s).

22. SCS explained that upon establishment of HA on 1 December 1991, civil servants working in the then Hospital Services Department might opt to retain their existing terms of appointment and conditions of service. The 135 posts represented vacancies left by civil servants on retirement or resignations and would be filled by HA staff.

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23. At the request of Dr CHIANG Lai-wan, SCS undertook to ascertain the number of additional staff to be recruited by HA in 2016-2017.

Other issue

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24. Mr LEE Cheuk-yan asked why civil servants previously employed by the Housing Department ("HD") on contract terms and received housing allowance during their period of employment were subsequently denied civil service housing benefits. SCS undertook to check and revert to members.

**IV. 2015 Starting Salaries Survey: findings and recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service**

LC Paper No. CB(4)715/15-16(04)	-- Administration's paper on "2015 Starting Salaries Survey: Findings and Recommendations of the Standing Commission on Civil Service Salaries and Conditions of Service"
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LC Paper No. CB(4)715/15-16(05) -- Updated background brief on "Starting Salaries Surveys for the civil service" prepared by the Legislative Council Secretariat

Briefing by the Administration

25. SCS briefed members on the findings and recommendations of the Report of the Standing Commission on Civil Service Salaries and Conditions of Service ("the Standing Commission") on the 2015 Starting Salaries Survey ("the Report"), details of which were set out in the Administration's paper (LC Paper No. CB(4)715/15-16(04)). Notably,

- (a) the findings of the 2015 Starting Salaries Survey ("2015 SSS") indicated that the difference between the existing benchmark pay of all qualification groups ("QGs") (except QG 8 (Degree and Related Grades)) and the upper quartile level of starting salaries in the market was insignificant (in the range of +3.6% to -5.2%). As for QG 8, the market upper quartile level was lower than the existing civil service benchmark pay by 15.3% (around \$3,900 or three pay points on the Master Pay Scale ("MPS"));
- (b) having considered the principles and considerations under the "holistic approach", the Standing Commission recommended that the benchmark pay for all QGs (including QG 8) should remain unchanged. Since market pay for QG 8 consistently recorded a relatively larger dispersion and the lowest rate of adjustment, the Standing Commission also recommended that a specific study should be conducted on the distinctive features and characteristics of this QG and how they should be taken into account in future SSSs; and
- (c) the staff sides, departmental management as well as tertiary institutions had been invited to provide their views on the findings and recommendations of the Report to the Administration. Upon receiving their views and the advice from the Standing Committee on Disciplined Services Salaries and Conditions of Service on how the survey findings should be applied to the disciplined services by 29 March 2016, the Administration would submit its

recommendations on how to take forward the Report to the Chief Executive-in-Council for decision.

26. SCS emphasized that the Government had not yet decided on how the 2015 SSS findings should be applied to the civil service and would take into account stakeholders' feedback before making a decision. He welcomed the views of Members on this issue.

### Discussion

27. Mr WONG Kwok-hing expressed support for the recommendation of the Standing Commission that the existing benchmark pay for QG 8 should remain unchanged. Although the market upper quartile level for QG 8 was lower than the civil service benchmark pay by 15.3% (around \$3,900), civil service remuneration did not include bonus, and a more structured career path took it much longer for civil servants to advance to the next higher rank, i.e. an average of 14 years, than their counterparts in the private sector. Moreover, civil servants increasingly had to face abusive language and/or acts from the public whilst discharging their duties. Hence, starting salaries of civil service basic ranks should be sufficiently competitive so as to better attract staff of a suitable calibre and to retain them for higher responsibilities.

28. SCS clarified that the Standing Commission adopted total cash compensation of private sector pay as the basis for comparison with the benchmark pay of individual QGs in the civil service, which included annual basic salary, guaranteed bonus as well as other forms of cash payment (cash allowances and variable pay). SCS further said that the time taken for promotion (14 years) was a service-wide average and it varied substantially among different grades. With the gradual increase in the number of civil servants retiring in the coming decade, the average time taken for a civil servant to get promoted to the next higher rank might become shorter. Moreover, civil servants were entitled to annual pay increment (if they had not yet reached the maximum pay point of their existing rank). To better equip civil servants with the necessary skills to manage conflicts, SCS said that it was one of the work focuses of the Civil Service Training and Development Institute under CSB to organize courses for enhancing the quality of customer service, handling public complaints, managing conflicts, coping with stress and maintaining emotional well-being, and efforts in this regard would be stepped up.

29. Whilst welcoming the recommendation that the existing benchmark pay for QG 8 should remain unchanged, Mr LEE Cheuk-yan opined that the existing benchmark pay for the remaining eight QGs should also be increased by, say, 10%, to ensure fairness amongst all QGs.

30. SCS responded that drastic changes in the starting salaries of civil service grades would undermine stability of civil service pay and bring about adverse consequences. For example, it might lead to the situation whereby the pay of serving civil servants was just the same as that of the new recruits at the same rank, thereby affecting staff morale. That explained why the holistic approach should be adopted for applying the findings of SSSs and illustrated the importance of maintaining the stability of civil service pay. SCS pointed out that although the benchmark pay of some QGs were higher than their respective market upper quartiles level, no downward adjustment to the starting salaries of these QGs had been made having regard to the principles and considerations under the holistic approach as set out in paragraph 8 of the Administration's paper in applying survey findings.

31. Mr KWOK Wai-keung said that in view of inherent differences in salary structure and career progression, the entry pay of civil servants should be higher than that of workers in the private sector so as to attract talents.

32. SCS responded that in order to attract people of suitable calibre to join the civil service, it was the Government's civil service pay policy to, amongst others, ensure that the entry pay of civil service basic ranks was broadly comparable to that of the private sector. SCS further said that pay was not the sole consideration for people joining the civil service. Other considerations were job security and the opportunities to handle duties and acquire experience not available in the private sector, such as law enforcement and execution of public health policies.

33. Responding to Mr KWOK Wai-keung's enquiry on when the specific study on QG 8 recommended by the Standing Commission would be completed, SCS said that the study would be completed before the next SSS, and that the Administration would inform the Panel of the relevant findings.

34. Dr CHIANG Lai-wan agreed with the holistic approach adopted by the Standing Commission as well as the Government in reviewing the

pay of civil service basic ranks. Dr CHIANG then asked the following questions:

- (a) why the existing benchmark pay of Group I and Group II under QG 2 (HKDSEE Grades) was the same at \$13,120 (MPS 3), despite the fact that the qualification requirements of QG2 Group II comprised additional considerable experience; and
- (b) whether the 2015 SSS had included the qualifications recognized under the Qualifications Framework ("QF") launched by the Education Bureau in 2008 to promote life-long learning.

35. Secretary General, Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service ("SG, JSSCS") explained that no benchmark had been set for QG 2 Group II and the starting salaries for grades in that QG had all along been adjusted by following the benchmark of QG 2 Group I (i.e. MPS 3) based on internal relativity, in consideration that the minimum academic requirements for both Group I and Group II of QG 2 were identical. SG, JSSCS further pointed out that the starting salaries for most of the 11 grades in QG 2 Group II were higher than MPS 3 in consideration of the different additional appointment requirements for different grades such as experience and/or special skills. As to Dr CHIANG Lai-wan's second question, SG, JSSCS explained that the basis for data collection and comparison was the education qualification and/or experience requirement as specified for each of the QGs under the Government's Qualification Benchmark System for the civil service and not any other framework.

36. Dr CHIANG Lai-wan suggested that the Administration should consider incorporating the qualifications recognized under the QF into the Qualification Benchmark System for the conduct of SSS in future.

37. Dr CHIANG Lai-wan further asked the following questions:

- (a) whether only entry-level jobs taken up by fresh graduates were covered in the SSS;
- (b) whether, and if so, which civil service basic rank(s) had recruitment difficulties; and

- (c) whether the decision to pitch a civil service post at directorate rank was determined by CSB or the B/D concerned.

38. Responding to Dr CHIANG Lai-wan's first question, SG, JSSCS said that most of the entry-level jobs covered in the survey did not have any experience requirement. For QGs with an experience requirement, the information collected by the Consultant from the participating organizations followed the experience requirement specified in the respective QGs, which ranged from two to five years.

39. Regarding Dr CHIANG Lai-wan's second question, SCS said that most civil service grades did not have recruitment difficulty at present, which reflected the importance of maintaining starting salaries at a reasonable level. As to Dr CHIANG's third question, SCS said that the proposed creation of a permanent directorate post must first be assessed by CSB and cleared by the Standing Committee on Directorate Salaries and Conditions of Service ("SDCS"), which comprised members drawn from different sectors, followed by scrutiny of the Establishment Subcommittee and the Finance Committee of the Legislative Council.

### Conclusion

40. In closing, the Chairman said that the Panel would follow up on the application of the findings of the 2015 SSS to the civil service.

### **V. Any other business**

41. There being no other business, the meeting ended at 12:20 pm.