

立法會
Legislative Council

LC Paper No. CB(1)2100/99-00

(These minutes have been seen
by the Administration and
cleared with the Chairman)

Ref : CB1/PL/PS/1

Legislative Council
Panel on Public Service

Minutes of meeting
held on Monday, 17 April 2000 at 10:45 am
in the Chamber of the Legislative Council Building

Members present : Hon TAM Yiu-chung, GBS, JP (Chairman)
Hon Mrs Sophie LEUNG LAU Yau-fun, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon LEE Kai-ming, SBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Kwok-keung
Hon CHAN Wing-chan
Hon Andrew WONG Wang-fat, JP

Members attending : Hon NG Leung-sing
Hon CHAN Yuen-han

Members absent : Hon Michael HO Mun-ka
Hon Howard YOUNG, JP
Hon Ambrose LAU Hon-chuen, JP

Public officers attending : **Items IV to VI**

Mr LAM Woon-kwong
Secretary for the Civil Service

Ms Anissa WONG
Deputy Secretary for the Civil Service (1)

Mr D W PESCOD
Deputy Secretary for the Civil Service (2)

Mrs Susan MAK
Deputy Secretary for the Civil Service (3)

Item VII

Mrs Grace PUN
Deputy Head, Efficiency Unit

Mr YUK Wai-fung
Assistant Director, Efficiency Unit

Clerk in attendance : Miss Salumi CHAN
Chief Assistant Secretary (1)5

Staff in attendance : Ms Pauline NG
Assistant Secretary General 1

Ms Eva LIU
Head, Research and Library Services Division

Mr CHAU Pak-kwan
Research Officer 5

Mr Matthew LOO
Senior Assistant Secretary (1)7

Action

I. Confirmation of minutes of meeting
(LC Paper No. CB(1)1348/99-00)

Confirmation of minutes of meeting

The minutes of the meeting held on 20 March 2000 were confirmed.

Additional item for the meeting

2. At the request of the Administration, the Panel agreed to add the item "Establishment of an integrated call centre for environmental hazards and cleanliness" to the agenda for the meeting. The Administration would brief the Panel on the implication of the item on the Staff Sides before seeking funding approval from the Finance Committee (FC) on 28 April 2000.

II. Date of next meeting and items for discussion

(LC Paper No. CB(1)1349/99-00(01) — List of outstanding items for discussion

LC Paper No. CB(1)1349/99-00(02) — List of follow-up actions)

3. The Panel noted the list of outstanding items for discussion and agreed to discuss the following items at the next regular meeting to be held on 15 May 2000:

(a) Civil service Voluntary Retirement Scheme;

(b) Civil service Management-initiated Retirement Scheme; and

(c) Review of civil service pension adjustment policy and mechanism

— referred by the Public Accounts Committee (PAC) to the Panel for consideration.

4. Mr CHEUNG Man-kwong expressed concern about the cases revealed by the Director of Audit's report in the recent two years, where substantial resources were found to have been wasted due to mismanagement of some government departments. He suggested the Panel to consider taking follow-up actions on those cases. The Chairman considered it more appropriate for PAC to take follow-up actions. Nevertheless, the Chairman directed that relevant information be compiled by the Clerk for his consideration.

(Post-meeting note : Having considered the list of relevant issues studied by PAC in the recent two years and the follow-up actions taken by PAC, the Chairman considered it inappropriate for the Panel to follow-up those issues further. Mr CHEUNG Man-kwong agreed with the Chairman's view.)

III. Information paper issued since the last meeting

(LC Paper No. CB(1)1274/99-00(01) — Information paper on Pensions Adjustment Policy and Mechanism

LC Paper No. CB(1)1362/99-00 — Information paper on Mandatory Provident Fund arrangements for employees of government departments)

5. The Panel noted the two information papers issued since the last meeting.

IV. Civil service entry system and fringe benefits package for new recruits

(LC Paper No. CB(1)1339/99-00 — Legislative Council Brief on "Proposed Entry System and Fringe Benefits Package for Civil Service Recruits"

LC Paper No. CB(1)1397/99-00(01) — Submission from the Senior Civil Service Council (Staff Side))

6. The Chairman advised that the Hong Kong Chinese Civil Servants' Association (HKCCSA) had just provided the Panel with a submission on the proposed civil service entry system and fringe benefits package for new recruits. The submission was tabled at the meeting for members' reference.

(Post-meeting note : HKCCSA's submission was circulated to members vide LC Paper No. CB(1)1407/99-00 on 18 April 2000.)

7. Responding to members, Secretary for the Civil Service (SCS) advised that the original proposal of the new entry system contained in the Consultation Document on Civil Service Reform was to employ all basic rank civil servants (around two-thirds of civil servants) on agreement terms. Having considered the views of Members and the Staff Sides, the Administration had revised the proposal. Under the revised proposal, new recruits would normally be appointed on probationary terms for three years and those who had passed the probation would be appointed on agreement terms for three years (i.e. the "3 + 3" model). It was estimated that less than 20% of civil servants would be appointed on agreement terms.

8. Members expressed reservations about the proposed "3 + 3" model and considered it unjustified for the Administration to take six years to assess the suitability of an officer for appointment on permanent terms. They considered that the proposed "3 + 3" model would not be conducive to attracting and retaining quality staff and would undermine the stability of the civil service. The civil service would also compare less favourably with the private sector in terms of job security. In response, SCS pointed out that the "3 + 3" model was not a revolutionary proposal. The proposed entry system aimed to provide greater flexibility in the civil service

appointment system and to allow for better quality control of staff. While the Administration recognized the need to maintain a stable civil service, it considered that permanent terms and the associated job security should be attained with proven performance record and demonstration of long term potential. With a competitive remuneration package and a structured career path, the Administration believed that the attractiveness of civil service jobs could be maintained.

9. Some members pointed out that the major civil service unions were not in support of the "3 + 3" model, and queried why the Administration still pursued the revised proposal. SCS reiterated that in revising the proposal, the Administration had taken into account the views of the Staff Sides. However, the Administration maintained the view that the proposal should be finalized by the Government, i.e. the employer, not by serving civil servants.

V. Review of declaration system of investments by civil servants

(LC Paper No. CB(1)1174/99-00(05) — Paper provided by the Administration

LC Paper No. CB(1)1174/99-00(06) — Research report on "Declaration of Interests by Senior Civil Servants in Some Overseas Countries" prepared by the Research and Library Services Division of the Legislative Council Secretariat)

10. The Chairman advised that agenda item V was to follow up the discussion at the special meeting of the Panel held on 20 August 1999 on the declaration system of investments by civil servants. He referred members to the paper provided by the Administration and the research report on "Declaration of Interests by Senior Civil Servants in Some Overseas Countries" prepared by the Research and Library Services Division of the Legislative Council Secretariat.

Declaration of liabilities

11. Mr CHEUNG Man-kwong noted from the research report prepared by the Legislative Council Secretariat that senior civil servants in the United States (US) and Australia were required to declare liabilities. Referring to the problem of indebtedness of civil servants in Hong Kong, Mr CHEUNG suggested the Administration to consider expanding the scope of the declaration system of investments to cover declaration of liabilities. In response, Deputy Secretary for the Civil Service (3) (DSCS3) pointed out that there were provisions in the Civil Service Regulations (CSRs) governing borrowing money at interest by civil servants. Under CSR 482, civil servants were permitted to obtain loans from the types of institutions specified therein, such as licensed banks and licensed money-lenders, but were

required to seek prior permission of their Heads of Departments before acquiring loans under other circumstances. Officers who failed to comply with the requirement were liable to disciplinary action or even criminal prosecution.

12. Mr CHEUNG Man-kwong considered the provisions of CSR 482 inadequate to cater for present day situations where it was easy for civil servants to become indebted by acquiring loans from various licensed banks, in particular under the various credit card schemes. He also queried how the regulation could be effectively enforced, as it seemed unlikely that civil servants acquiring loans through illegal means would seek prior permission as required. To plug the loophole, Mr CHEUNG urged the Administration to expand the scope of the declaration system by making reference to the practice in US. In this connection, Assistant Secretary General 1 added that senior civil servants in US were required to make annual declaration and report liabilities over US\$10,000 owed to any one creditor during the reporting period by themselves, their spouses or dependent children. Their disclosure reports were reviewed by ethics officials to ensure that the forms were filled out correctly and that all the required information was presented. Besides civil and administrative penalties for improper filings, there were criminal sanctions for lying or falsifying information.

13. At the request of members, DSCS3 undertook to look into Mr CHEUNG Man-kwong's views.

(Post meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1)1581/99-00 on 12 May 2000.)

Monitoring mechanism

14. In response to Miss CHAN Yuen-han's enquiry on measures to improve the effectiveness of the declaration system, DSCS3 advised that the Administration would consider issuing additional guidelines and providing a checklist to facilitate Bureau Secretaries/Heads of Departments in vetting and reviewing declaration returns. Miss CHAN considered that further measures should be put in place and suggested the Administration to make reference to Japan where an independent National Public Service Ethics Board (NPSEB) would be set up under the National Public Service Ethics Law (NPSEL) to examine declarations made by senior civil servants. DSCS3 considered it too early at this stage to make any reference to Japan, as NPSEL had just come into effect in early April 2000 and the NPSEB had yet to be established.

Disclosure of declared information

15. Responding to Miss CHAN Yuen-han, DSCS3 advised that under the existing declaration system, officers filling Tier I posts (the 26 key government posts) were required to register annually certain types of financial interests, in and outside Hong Kong, for public inspection upon request. The types of interests included land

and buildings (including self-occupied property); proprietorships, partnerships or directorships of companies; and shareholdings of 1% of the issued share capital in any listed, public or private company. Miss CHAN suggested the Administration to consider expanding the scope of the disclosure. The Deputy Chairman had reservation on this suggestion, having regard to the fact that in most of the countries covered by the research report prepared by the Legislative Council Secretariat, the information declared by civil servants was kept confidential. As regards US where the financial disclosure reports of senior civil servants were made available to the public upon request, there were detailed legal provisions governing the custody of, access to and use of the reports. She considered that a proper balance should be maintained between public interests and civil servants' right to privacy. DSCS3 noted members' views.

VI. Consultative machinery of the civil service

— Briefing by the Administration on the position/outcome of the review of the criteria for admission to the Senior Civil Service Council

(LC Paper No. CB(1)1349/99-00(03) — Paper provided by the Administration

LC Paper No. CB(1)1397/99-00(02) — Submission from HKCCSA)

Briefing by the Administration

16. DSCS3 reported that further to the Panel meeting on 20 December 1999, joint meetings were held among the Civil Service Bureau, Senior Civil Service Council (SCSC) (Staff Side) and major cross-service unions which had shown interest to join SCSC (potential applicant unions) to review the existing central consultative machinery. After thorough discussion, the majority view was that it was inappropriate to set up an additional central council. However, members of the joint meetings recognized the concern of some potential applicant unions about the difficulties in meeting one of the admission criteria of SCSC that the number of due paying members of an applicant union should be sufficiently large to deserve recognition by the central management, as members of an applicant union who were also members of the three staff associations of SCSC would not be counted. Members of the joint meetings considered it worthwhile to explore the option that when there was membership duplication, a discount ratio based on the number of times of duplication be applied. On the way forward, the Administration would continue the dialogue with the potential applicant unions and work with them on the feasibility of a survey to find out the extent of membership duplication within a trade union/trade union federation. The Administration would also discuss with SCSC (Staff Side) on how to draw up revised admission criteria based on the discussion at the joint meetings and the results of the above survey.

SCSC admission criteria

17. Responding to members' queries, DSCS3 clarified that the consent of SCSC (Staff Side) was required for amending the 1968 Agreement signed between the Government and the three major staff associations (the 1968 Agreement), but not required for approving applications for joining SCSC. Nevertheless, the Administration would consult SCSC (Staff Side) before making its decision on whether or not to approve such applications. Members strongly urged the Administration to make these points clear to all civil service unions, so as to remove any misunderstanding between SCSC (Staff Side) and the potential applicant unions.

18. Members were of the view that it was common for a civil servant to join more than one union, and that the civil servant concerned should be allowed to choose one of the unions to represent him on SCSC. Members therefore urged the Administration to seriously consider how to address the problem of duplicated membership. DSCS3 advised that as agreed at the joint meetings, a survey would be conducted to find out the extent of the problem before further discussion on the subject.

VII. Establishment of an integrated call centre for environmental hazards and cleanliness

(LC Paper No. CB(1)1388/99-00(01) — Paper provided by the Administration)

Briefing by the Administration

19. With the aid of audio-visual equipment, Deputy Head, Efficiency Unit (DH/EU) and Assistant Director, Efficiency Unit (AD/EU) briefed members on the Administration's proposal to establish a trans-departmental integrated call centre (ICC) in 2001 for handling all telephone enquiries on environmental hazards and cleanliness.

(Post-meeting note : The presentation material tabled at the meeting was circulated to members vide LC Paper No. CB(1)1407/99-00 on 18 April 2000.)

Staffing implications of the proposal

20. While members saw the merits of providing the public with single-telephone-number access on all environmental hazards and cleanliness, they were concerned about the staffing implications of the proposal. In response, AD/EU advised that in order to avoid staff redundancy, the Administration would redeploy the surplus Assistant Clerical Officers currently handling telephone enquiries in participating departments to ICC as Call Centre Agents (CCAs) during the first few years of its operation. To allow flexibility, non-civil service contract staff would be recruited to fill some of the CCA posts. Members queried whether it was appropriate

to recruit non-civil service contract staff to fill such posts, as the postholders were required to have very good knowledge of the Government's organization structure and distribution of responsibilities. DH/EU and AD/EU pointed out that given the entirely different mode of operation in the proposed ICC, the Administration would undertake a comprehensive business process re-engineering (BPR) exercise covering all the related call handling and working processes in the participating departments. The CCAs would then be trained on the operational details, including the application of information technology. In view of the fact that there was not any grade in the civil service establishment with comparable duties as those of CCAs and that CCAs were required to work on shift, the employment of non-civil service contract staff would provide the management with more flexibility. Members were not convinced and considered that given proper training, civil servants who were willing to work on shift should be competent to perform the duties of CCAs. If necessary, a new grade might be created to accommodate the CCAs. Members therefore urged the Administration to reconsider the need to employ non-civil service contract staff to fill the CCA posts.

21. Some members also expressed concern about the Administration's proposal to gradually increase the proportion of non-civil service contract staff from 2003-04 (Year 3) onwards. In response to members' queries, DH/EU advised that the Administration had no plans to turn ICC into a commercial operation and that the proposed staffing requirement for ICC would be reviewed after it had come into operation.

ICC's performance pledge

22. Responding to Miss CHAN Yuen-han, AD/EU advised that ICC's performance pledge would be set after the completion of the BPR exercise.

(Post-meeting note : The new financial commitment of \$55 millions for establishing the ICC was approved by FC on 28 April 2000.)

VIII. Any other business

23. There being no other business, the meeting ended at 1:20 pm.