

立法會
Legislative Council

LC Paper No. CB(1)901/04-05
(These minutes have been seen
by the Administration)

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Panel on Public Service

Minutes of meeting
held on Monday, 17 January 2005 at 10:45 am
in Conference Room A of the Legislative Council Building

Members present : Hon TAM Yiu-chung, GBS, JP (Chairman)
Hon LI Fung-ying, JP (Deputy Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon Bernard CHAN, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon Howard YOUNG, SBS, JP
Hon WONG Kwok-hing, MH
Hon KWONG Chi-kin

Member attending : Hon Emily LAU Wai-hing, JP

Public officers attending : **Agenda Items III and IV**

Mr Joseph W P WONG, GBS, JP
Secretary for the Civil Service

Mrs Rebecca LAI, JP
Permanent Secretary for the Civil Service

Mr Christopher WONG
Deputy Secretary for the Civil Service (3)

Agenda Item III

Miss Jennifer MAK, JP
Deputy Secretary for the Civil Service (1)

Mrs Jessie TING, JP
Deputy Secretary for the Civil Service (2)

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

Staff in attendance : Ms Rosalind MA
Senior Council Secretary (1)8

Ms May LEUNG
Legislative Assistant

Action

- I. Confirmation of minutes of meeting**
(LC Paper No. CB(1)683/04-05 — Minutes of meeting on
21 December 2004)

The minutes of the meeting held on 21 December 2004 were confirmed.

- II. Date of next meeting and items for discussion**
(LC Paper No. CB(1)684/04-05(01) — List of outstanding items for
discussion)

LC Paper No. CB(1)684/04-05(02) — List of follow-up actions)

2. Members agreed that the following items be discussed at the next regular meeting scheduled for 21 February 2005:

- (a) Progress update on review of job-related allowances; and
- (b) Outcome of the consultation on the proposals for the pay level survey and the way forward.

3. On paragraph 2(a) above, members noted that the Administration would brief the Panel on the latest position of the review of job-related allowances. On paragraph 2(b), members noted that the Administration would report on the views

received during the consultation on the proposals on the methodology of the pay level survey (PLS), the application of the survey results and the next steps forward.

III. Briefing by the Secretary for the Civil Service on the policy initiatives of the Civil Service Bureau featuring in the Chief Executive's 2005 Policy Address

(Paper provided by the Administration for the meeting
LC Paper No. CB(1)684/04-05(03)

Other relevant documents

- (a) Address by the Chief Executive at the Legislative Council meeting on 12 January 2005 — “Working Together for Economic Development and Social Harmony”
- (b) The 2005 Policy Address — “Policy Agenda”

4. The Chairman referred to the information paper on the policy initiatives of the Civil Service Bureau (CSB) (LC Paper No. CB(1)684/04-05(03)) and invited questions from members.

Policy governing the post-retirement employment of civil servants

Approval granted for the post-retirement employment of the former Deputy Director of Housing (DDH)

5. Referring to the remarks made by the Chief Executive (CE) in his 2005 Policy Address that the Government was resolutely against “collusion between business and the Government” and would strictly enforce its monitoring systems to eliminate any “transfer of benefits”, Mr CHEUNG Man-kwong queried whether the Secretary for the Civil Service (SCS), before approving the application for post-retirement employment from Ms Elaine CHUNG, former DDH, had exercised due diligence to examine the application so as to prevent any conflict of interests between Ms CHUNG’s prospective employment in the private sector and her previous duties in the Government. He also queried whether the approval given for Ms CHUNG to take up employment in a private firm about four and a half months after her cessation of duty with the Government, instead of the normal sanitization period of six months, had facilitated the “collusion between business and the Government” and the “transfer of benefits”. Mr CHEUNG considered that there was negligence and mishandling on the part of SCS in the case. He requested SCS to identify inadequacies in the handling process and to apologize to the public in respect of Ms CHUNG’s case.

6. In response, SCS pointed out that Ms Elaine CHUNG’s case had been discussed in detail at the last Panel meeting held on 21 December 2004. He stressed that the fundamental principle of the policy governing post-retirement employment of civil servants was that there should be no impropriety in the business or employment which former civil servants proposed to undertake. He also pointed

out that under the existing approval mechanism, all applications from directorate officers would be passed to the Advisory Committee on Post-retirement Employment (ACPE), which was an independent body chaired by a High Court judge, for comments and advice. As regards Ms CHUNG's application for post-retirement employment, it was processed in accordance with the existing procedures, and approval was granted on the basis of the information available at the time of approval. SCS agreed that with the benefit of hindsight, improvement could have been made in the handling of the case, but he did not agree that there was negligence in the handling of the application or misjudgment in the approval of the application. Nevertheless, he assured members that the Administration would consolidate the experience gained from the case and work out improvement measures to the existing mechanism during the current review of the policy governing post-retirement employment of civil servants, such as measures to improve the transparency of the mechanism and to extend the length of sanitization period for retired senior directorate officers. The proposed measures would be presented to the Panel when the Administration reported on the outcome of the current review in March 2005.

7. Mr CHEUNG Man-kwong was not satisfied with SCS's response. He was of the view that as a Principal Official under the Accountability System, SCS should be held accountable for the approval of Ms Elaine CHUNG's application for post-retirement employment and should not try to shift the responsibility to ACPE. Mr CHEUNG requested SCS to confirm whether he would apologize to the public in respect of Ms CHUNG's case.

8. SCS clarified that while the approval for post-retirement employment of directorate officers would be granted having regard to the advice and recommendations of ACPE, he, as the Principal Official responsible for civil service matters, was accountable for the relevant policy and cases. He reiterated that Ms Elaine CHUNG's application was processed in accordance with existing procedures, and approval was granted on the basis of the information available at the time of approval. He therefore did not see the need for him to apologize to the public in respect of Ms CHUNG's case.

9. Mr WONG Kwok-hing was concerned whether Ms Elaine CHUNG had complied with the scope of work specified in the approval for her post-retirement employment. SCS pointed out that Ms CHUNG as well as her company had confirmed that she was not involved in any property-related work.

10. Referring to paragraph 21 of the minutes of the Panel meeting held on 21 December 2004, Mr WONG Kwok-hing asked whether CSB had taken the following actions on Ms Elaine CHUNG's case as he had suggested at that meeting; and if so, the progress of the actions taken and details of the information obtained:

- (a) To write to the Kwai Tsing District Officer and/or the Kwai Tsing District Council (DC) Chairman to seek clarification of

Ms CHUNG's involvement in lobbying DC members for their support for the proposed change of land use of the Tsing Yi shipyard into a batching plant in June 2004; and

- (b) To write to the Henderson Land Development Co. Ltd. to confirm whether Ms CHUNG's office was located in the premises of the company in Central.

11. SCS pointed out that he had undertaken at the Panel meeting held on 21 December 2004 to take follow-up actions on a number of complaints about possible conflict of interests between Ms Elaine CHUNG's post-retirement employment and her previous service in the Government, and provide a report on the outcome of the investigation to the Panel within two months. SCS confirmed that the scope of the investigation covered the location of Ms CHUNG's office and her involvement in lobbying DC members. CSB had taken actions to obtain the relevant information and seek written clarifications from the parties concerned, and would give a full account of the findings in the report to be provided to the Panel. The Permanent Secretary for the Civil Service (PSCS) added that CSB had obtained initial responses from the parties concerned and would consider whether and what further information would be required, with a view to presenting to the Panel a detailed report on the findings.

Approval for civil servants to take up employment during their final leave period

12. Referring to the post-retirement employment taken up by Ms Elaine CHUNG, the former DDH and Mr TSANG Yam-pui, the former Commissioner of Police, Mr KWONG Chi-kin pointed out that senior civil servants taking up employment in private enterprises during their final leave period had become an issue of wide public concern. In this connection, Mr KWONG urged the Administration to impose stricter restrictions on the terms of approval for post-retirement employment of senior civil servants so that they would not be allowed to take up employment during their final leave period.

13. Ms Emily LAU queried whether it was appropriate to allow Ms Elaine CHUNG and Mr TSANG Yam-pui to take up employment in the private sector during their final leave period when the officers concerned still maintained the status of civil servants and received civil service pay and allowances. She also queried why approval was given for Mr TSANG to accumulate leave in excess of the normal upper limit of one year.

14. SCS clarified that under the existing mechanism, approval might be granted for a retired civil servant to take up employment during the final leave period after he or she had ceased duty with the Government, if it could be established that there would be no conflict of interest between the officer's last post in the Government and the proposed employment. The Administration was examining the propriety of this arrangement in the current review. As regards the approval granted for some officers

to accumulate leave in excess of the upper limit, SCS explained that the discretionary power would only be exercised where there were justifications that the officer concerned was not able to take leave due to exigencies of service.

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15. To facilitate Members to have a better understanding of the position, Ms Emily LAU requested the Administration to provide the following information about the applications for post-retirement employment submitted by directorate officers in the years 2002 to 2004:

- (a) Names of the applicants, the last posts they held in the Government and the ranks concerned;
- (b) The prospective employment to be taken up by the applicants;
- (c) For those approved applications,
 - whether the applicants concerned were allowed to take up the employment during their final leave period; if yes, the reasons;
 - the length of their final leave period; and for those applicants whose final leave period exceeded the normal upper limit of one year, the reasons for giving approval for them to accumulate such a long period of leave; and
 - the length of the sanitization period imposed on the applicants;
- (d) For those applications which were not approved, the reasons for not approving the applications.

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16. Ms Emily LAU also asked whether the Administration needed to seek the consent of the officers concerned for disclosing the required information. In response, SCS undertook to seek legal advice on whether the Administration's disclosure of the information about individual applications for post-retirement employment would infringe the privacy rights of the applicants concerned; and if it would, the Administration would consider to what extent and in what ways information on the applications could be disclosed.

17. Pointing out that a three-year sanitization period was imposed on retired Mainland government officials, Ms Emily LAU requested the Administration to make reference to approval mechanisms in the Mainland and other jurisdictions in the current review. SCS pointed out that the existing mechanism had been worked out with reference to that in the United Kingdom (UK) where the normal sanitization period was only three months. In reviewing the existing policy and mechanism, the Administration would make reference to the practices in other jurisdictions.

18. To ascertain the expectations of the public on the policy governing post-retirement employment of civil servants, in particular, on whether directorate officers should be allowed to take up employment during their final leave period, Ms Emily LAU suggested that CSB or the Central Policy Unit (CPU) should

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conduct an opinion poll in this regard. In response, SCS undertook to consider Ms LAU's suggestion. He also pointed out that the Administration would consult civil servants on the proposed improvement measures for the existing mechanism.

19. Referring to CE's remark in his 2005 Policy Address that the Government would strictly enforce its monitoring systems to eliminate any "transfer of benefits", Mr LEE Cheuk-yan opined that to "strictly" enforce its monitoring systems, the Government should lengthen the sanitization period for retired directorate officers to three years. Mr LEE considered that the sanitization period should be counted from the date on which the retired officers left the civil service, i.e. the final leave of retired civil servants would not be counted as part of the sanitization period. In his view, a longer sanitization period could address the public concern about civil servants at senior ranks paving way for their post-retirement employment through favouritism towards consortia in their policy formulation or decisions during their service in the Government.

20. SCS explained that in implementing the policy governing post-retirement employment of civil servants, the Administration needed to strike a balance between the rights of the retired civil servants as individuals to pursue employment or business after retirement and public expectation regarding the integrity and probity of the civil service. SCS reiterated that the Administration was considering improvement measures to the existing mechanism, including the extension of the normal sanitization period from six months to one year. The initial response from the civil service was that the extension of sanitization period would deprive retired civil servants of the rights to take up employment after retirement. The Administration envisaged that there would be controversy over the appropriate length of the sanitization period. SCS further pointed out that the Administration attached great importance to maintaining a clean and efficient civil service. Civil servants were subject not only to the policy governing post-retirement employment but also different legislation and regulations, such as the Prevention of Bribery Ordinance (Cap. 201) and the Public Service (Administration) Order.

21. Mr Howard YOUNG urged the Administration to review the existing leave administration and accumulation system, making reference to private sector practices of requiring staff to take all their earned leave on an annual basis. He was of the view that paid leave of civil servants also constituted part of the staff cost and the Administration should take this into account in comparing the pay levels of the civil service and the private sector. In response, SCS explained that there were inherent differences in the leave administration and accumulation system in the civil service and the private sector. For example, private sector firms might give cash allowance to their employees in lieu of the untaken leave but such an arrangement could hardly be adopted for the civil service. SCS further pointed out that the Administration had already substantially reduced the leave earning rates and leave accumulation limits for civil servants appointed on or after 1 June 2000. Nevertheless, civil servants employed before 1 June 2000 were still entitled to comparatively higher leave earning rates, particularly for civil servants of senior ranks, and they might not be

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able to take all their earned leave on an annual basis due to operational needs. He noted Mr YOUNG's suggestion for a review of the existing system and undertook to take this into consideration at an appropriate time.

Containing the size of the civil service

22. Noting that the Administration would seek to achieve the target for reducing the civil service establishment to about 160 000 by 2006-07 through a number of possible measures, Mr WONG Kwok-hing was concerned whether proper arrangement would be made for internal redeployment so as to avoid wastage of manpower resources. He was also concerned whether the proposed schemes, such as the special unpaid leave and targeted voluntary retirement schemes, would be entirely voluntary in nature and would not turn out to be staff redundancy plans in the end.

23. SCS explained that as a result of streamlining of procedures and advancement of technology, there would be identified or anticipated staff surplus in certain civil service grades, such as the clerical grade, in the coming years. The Administration would try to accommodate the surplus staff through internal redeployment amongst bureaux and departments. Training courses and workshops would be provided to equip the staff concerned with the skills and knowledge for taking up new duties after their redeployment. SCS assured members that despite the target for reducing the civil service establishment, the Government would honour its pledge not to force any civil servants to leave the service through forced redundancy.

24. Ms LI Fung-ying noted that in order to facilitate the reduction of the civil service establishment, CSB would provide necessary staff management tools to assist bureaux and departments to achieve staff savings. She considered that the Administration should, in taking forward this policy initiative, be mindful of the need to maintain the stability of the civil service and its sustainable development to meet the changing demands of the community. Ms LI was also concerned that the general recruitment freeze for the civil service and the five-year recruitment freeze for certain civil service grades might have adverse impact on the grade structures.

25. In reply, SCS said that in achieving the target for reducing the civil service establishment to about 160 000 by 2006-07, the Administration would not take an across-the-board approach for all bureaux and departments. He pointed out that despite the general civil service recruitment freeze, flexibility had been allowed for exemption provided that the Heads of Department (HoDs) saw genuine operational needs to recruit. Since 2003, the high-level panel co-chaired by the Chief Secretary for Administration and the Financial Secretary, and with himself as member, had given approval for 16 bureaux/departments for open recruitment of over 2 000 posts. At the request of Ms LI Fung-ying, SCS undertook to provide information on the exemption for open recruitment, including the number, grades and ranks of the posts involved, with a breakdown by bureaux/departments. As regards the five-year

recruitment freeze, SCS explained that this was one of the measures under the Second Voluntary Retirement (VR) Scheme to freeze the recruitment of the VR grades for five years counting from the date when the Second VR Scheme came into operation.

(Post-meeting note: The information provided by the Administration in response to Ms LI Fung-ying's request in paragraph 25 above was circulated to members vide LC Paper No. CB(1)940/04-05(01) on 18 February 2005.)

26. Ms LI Fung-ying was also concerned about the impact of the reduction of the civil service establishment on the promotion prospect of civil servants in general. In response, SCS explained that the promotion prospect for different civil service grades hinged on a number of factors, such as the number of retirees in the grade. If all other factors remained unchanged, the reduction of the civil service establishment might have impact on the opportunities for promotion. Nevertheless, SCS believed that in general, civil servants would accept this impact in an understanding manner.

27. Ms Emily LAU pointed out that in connection with the Administration's pledge of containing the size of the civil service, Members had reached a consensus that the directorate establishment should be frozen. Ms LAU opined that where vacant directorate posts were identified, the Administration should delete the posts. In this connection, she enquired about the number of vacant directorate posts in the civil service.

28. In reply, SCS said that the Administration was committed to achieving the target for reducing the civil service establishment. Conscious effort had been made by bureaux and departments to critically examine their manpower situation and identify scope for staff savings through streamlining, re-engineering and re-prioritizing of service delivery. Over the past few years, the civil service establishment had been reduced gradually, with reduction in both directorate and non-directorate establishment. As regards vacant directorate posts, SCS explained that vacancies might arise under different circumstances. For example, temporary vacancies would arise where suitable replacements were not immediately available pending the completion of a promotion exercise. At Ms Emily LAU's request, SCS undertook to provide information on the number of directorate posts on the civil service establishment and the status of the posts (whether the posts were filled, vacant or frozen), with a breakdown by bureaux/departments.

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Employment of non-civil service contract staff and contracting out of government services

29. Mr LEE Cheuk-yan pointed out that despite CE had committed to promoting employment in his 2005 Policy Address, CSB's policy initiative of reducing the size of the civil service and the non-civil service contract (NCSC) Staff Scheme was contradictory to CE's commitment. Mr LEE was particularly concerned that there

were about 16 000 NCSC staff working in different departments/bureaux, and some of them had been working as contract staff for several years with contracts renewed on an annual basis. He enquired whether CSB had any plans to promote employment in the civil service so as to tie in with CE's commitment. He also sought information on concrete measures in this regard.

30. Mr WONG Kwok-hing also expressed concern about the employment of NCSC staff. Referring to the NCSC staff employed as site supervisors, Mr WONG was concerned whether such staff who were employed on a contract basis without any job security were able to perform their supervising duties in an effective manner. He considered that the NCSC Staff Scheme was neither conducive to the overall efficiency in delivery of public services nor able to ensure service delivery to the best interest of the community.

31. SCS reiterated that despite the target for containing the size of the civil service, the Government had made it explicit that it would not lay off any civil servant by forced redundancy. Hence, this initiative would not affect the stability and job security of civil servants, and was not in any way contradictory to CE's commitment to promoting employment. As a matter of fact, among the 16 000 NCSC staff employed, a few thousand were employed under various job creation initiatives for promotion of employment. SCS also pointed out that the NCSC Staff Scheme provided HoDs with greater flexibility to deploy their resources in meeting service and operational needs while at the same time better enable them to cope with the demands for reducing public expenditure and containing the size of the civil service. NCSC staff might be employed to meet service needs which were short-term, part-time or under review. For example, NCSC staff were employed by the Post Office to handle seasonal mail volume and life guards were employed by the Leisure and Cultural Services Department during summer. The employment of NCSC staff was in no way inconsistent with the policy of promoting employment. To address Mr WONG Kwok-hing's concern about whether the NCSC staff employed as site supervisors were able to perform their supervising duties in an effective manner, SCS agreed to look into the matter.

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32. Mr WONG Kwok-hing pointed out that in order to achieve the target for reducing the civil service establishment, bureaux and departments had replaced some of the civil service posts by NCSC posts and contracted out part of their services. As far as he knew, the total number of staff involved in providing government services was over 195 000, including 168 000 civil servants, about 16 000 NCSC staff and about 11 750 temporary staff. The total number would be even larger if staff employed by government contractors were also included. In this connection, Mr WONG requested the Administration to provide information on the number of staff on the civil service establishment, number of NCSC staff, and number of staff employed through contracting out arrangements.

33. SCS clarified that depending on the service needs, individual departments might employ NCSC staff to meet special or short term needs, or contract out

services to private sector contractors who would in turn employ their own staff. As staff employed by government contractors were not civil servants, they should not be counted towards the civil service establishment. SCS pointed out that the civil service establishment had been reduced from its peak level at 198 000 to the current level at 168 000. As regards the number of NCSC staff, he pointed out that the Administration reported to the Panel on the employment of NCSC staff on a regular basis and would provide the relevant information when presenting its next report in April 2005. With further streamlining of procedures and changes in workflow for service delivery, the number of NCSC staff might be reduced in the long run. SCS stressed that through the continued effort of bureaux and departments, overall efficiency of the civil service as well as staff savings had been achieved, thereby reducing the public expenditure on staff cost. He believed that it was in the public interest for the Government to maintain the level of service at a lower cost.

34. Mr LEE Cheuk-yan was concerned about the arrangements for contracting out government services. From his observation, the pay levels of staff employed by government contractors were generally on the low side. Hence, the increasing trend for contracting out government services would in effect aggravate the problem of poverty in Hong Kong. In this connection, Mr LEE requested the Administration to provide information on the programme of individual bureaux and departments for contracting out government services in the next 12 months. He was also concerned whether the bureaux or departments had, in drawing up the contracting out programme, assessed the impact of the programme on the civil servants concerned and conducted staff consultation. As the subject might straddle across a number of policy areas, the Chairman directed the Clerk to take follow up actions and sort out the policy bureau to which Mr LEE's request and concerns should be relayed.

35. Mr Howard YOUNG opined that contracting out arrangement might be conducive to the achievement of a small government and to the most efficient use of public resources.

(Post-meeting note: The Clerk wrote to CSB on 27 January 2005, inviting the Administration to provide the information requested by Mr LEE Cheuk-yan as mentioned in paragraph 34 above.)

National studies programmes for civil servants

36. Noting that the Administration planned to roll out more national studies programmes, Mr KWONG Chi-kin sought information on the details of the programmes. He considered that such training programmes would be conducive to the implementation of "One Country, Two Systems" in Hong Kong. In response, SCS said that more national training programmes had been rolled out to help fortify civil servants' understanding of national developments. In 2005, the Administration would commission the National School of Administration to provide a new tailor-made national studies programme for directorate officers in the Administrative Service. The extra places thus provided would, within two years,

allow all directorate officers in the Administrative Service who had not attended a similar course in the past to attend the course, which was expected to last for about one week. Apart from training programmes, the Administration had expanded the staff exchange programmes with Mainland cities or provinces. Guangdong Province would be added to the civil servants exchange programme, on top of Shanghai, Beijing and Hangzhou.

37. Mr KWONG Chi-kin considered that more national training programmes should be provided for non-directorate staff. SCS pointed out that the training programmes offered by the Tsinghua University and the Peking University were open to civil servants at senior ranks, including both directorate and non-directorate officers. Nevertheless, SCS undertook to take Mr KWONG's view into consideration in the planning of national training programmes in future.

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Pay Level Survey

38. Noting from paragraph 5 of the paper provided by the Administration that the consultation period for the consultant's recommendations on the methodology of PLS and CSB's proposals on the general approach for the application of the survey ended on 7 January 2005, Mr WONG Kwok-hing expressed concern about the Administration's plan for announcing the results of the consultation and the decision on how to take forward the PLS. In response, SCS advised that the Administration would brief the Panel at the next meeting on 21 February 2005 on the views received during the consultation, the approach for applying the survey results and the next steps forward.

Adopting Public-Private-Partnership for public facilities

39. Pointing out that the Administration had undertaken not to pursue privatization or corporatization of public service, Ms LI Fung-ying queried why it was mentioned in the Policy Agenda that the Administration was examining the feasibility of adopting Public-Private-Partnership for the in-situ reprovisioning of the Sha Tin Water Treatment Works and related services. Ms LI pointed out that the staff concerned had expressed strong views against the proposed mode of delivery. In this connection, she enquired whether the Administration had taken full account of the views and concerns expressed by the staff concerned in assessing the merits and feasibility of the proposal. SCS responded that the mode of delivery for the Sha Tin Water Treatment Works would be worked out by the respective policy bureau. He pointed out that no decision had been made on the way forward for this project and the responsible bureau would brief the Panel on Planning, Lands and Works on the proposal in due course. CSB had reminded HoDs and Director of Bureaux (DoBs) to ensure that adequate staff consultation would be conducted in the process of consideration and that the mode of delivery would not result in any forced redundancy of staff.

IV. Civil service training: an up-dated overview

(LC Paper No. CB(1)684/04-05(04) — Paper provided by the Administration)

40. The Chairman pointed out that according to the agreed arrangement between LegCo and the Administration, the Administration was required to provide a paper for a discussion item at least five clear days before the relevant Panel meeting. For this discussion item, the Administration had missed the agreed deadline (i.e. 10 January) by one day. In accordance with the agreement at the House Committee meeting on 26 November 2004, the Chairman consulted members' views on whether the item should be discussed or removed from the agenda. Members agreed that the item should be discussed at this meeting.

Briefing by the Administration

41. At the invitation of the Chairman, the Deputy Secretary for the Civil Service (3) (DSCS3) briefed members on the paper provided by the Administration. The paper gave a brief account on the progress made in civil service training and development in 2004-05 and the new initiatives and work targets for 2005-06. He then highlighted some of the major programmes and initiatives set out in the paper, as follows:

- (a) Progress made and training programmes provided in 2004-05
- On national studies programmes, the Civil Service Training and Development Institute (CSTDI) provided a number of local programmes apart from residential programmes on the Mainland, to help fortify civil servants' understanding of national developments and the Basic Law. CSTDI also continued to strengthen the "China Update" website on the Cyber Learning Centre Plus.
 - CSTDI had provided human resource management consultancy service to about 50 departments, covering some 235 grades and 30 000 officers. Most of the officers covered were at junior or middle ranks.
 - The use of e-learning as a training delivery mode had experienced substantial growth. In 2004, the number of web-course registered participants and the number of hits had reached 23 000 and 450 000 respectively.
- (b) New initiatives and training programmes for 2005-06
- On national studies programmes, there were a number of new initiatives, including: commissioning the China Foreign Affairs University to organize a Foreign Affairs Programme, commissioning the National School of Administration to organize a dedicated course for directorate officers in the

Administrative Service, and signing an agreement with Guangdong to provide more exchange opportunities for civil servants.

- CSTDI would offer a series of seminars and activities on work-life balance to assist staff in facing pressure positively and in harnessing it to enhance their effectiveness.
- As part of the on-going efforts to promote a culture of continuous learning, CSB would launch two sponsorship schemes in 2005-06 to provide financial assistance to officers who wished to pursue, at their own time, learning that would enhance their knowledge, personal effectiveness and qualifications. About \$10 million had been reserved to finance the two sponsorship schemes.
- The General Grades Office (GGO) of CSB had launched a new training programme commencing January 2005 to enable members of the clerical and secretarial grades to provide better service to the public and to cope with changes in work. The estimated number of training places for the programme was 5 600.
- In connection with the plan to launch a new special unpaid leave scheme in 2005, CSB proposed to offer training assistance to staff taking such leave to encourage them in pursuing studies. They might apply for reimbursement of up to \$30,000 per year.

Discussion

Senior executive training and development

42. While appreciating the importance of national studies programmes to fortify civil servants' understanding of national developments, Mr Howard YOUNG was concerned that importance should also be attached to overseas training programmes with a view to developing the international perspective of senior executives in the civil service. Noting from Appendix 1 of the paper that only 18 officers had participated in overseas management programmes in 2004-05, Mr YOUNG enquired whether resources allocated to the provision of overseas training had been reduced as a result of the increased demand for training resources for national studies programmes. He opined that overseas training for senior executives at renowned universities such as the Oxford University or the Cambridge University, as well as attachment to overseas agencies such as the Federal Bureau of Investigation, would be important for the development of the officers' potentials and conducive to the maintenance of a high quality civil service. Mr YOUNG further pointed out that the Government should train and develop its team of senior executives instead of headhunting suitable talents in the market.

43. In response, PSCS explained that the 18 officers referred to by Mr Howard YOUNG were participants of the specific overseas management programmes and

did not reflect the total number of participants in all overseas training and attachment programmes. She stressed that the Administration attached importance to widening the exposure of the senior executives in the civil service and that the provision of overseas training programmes had not been reduced. Apart from overseas training programmes in specialized areas such as security related training programmes provided to Police officers, overseas training programmes were also provided to senior executives to enhance their exposure and personal development. For example, under the post-probation training programme for Administrative Officers, staff would be sent to renowned overseas universities for attending programmes in public administration.

Staff Exchange Programme with the Mainland

44. Referring to Appendix 2 of the paper, Mr KWONG Chi-kin considered that the Staff Exchange Programme with the Mainland was beneficial to officers from both the Hong Kong Special Administrative Region Government (HKSARG) and the Mainland municipal governments. Mr KWONG enquired whether the Administration had any plans to extend the scope of the programme by increasing the number of participants in 2005-06. In response, DSCS3 advised that following the recent addition of Guangdong to the Staff Exchange Programme (on top of Shanghai, Beijing and Hangzhou), more exchange opportunities would be provided for civil servants from both sides in 2005-06. He pointed out that while it was the Administration's target to provide more opportunities for civil servants to keep them abreast of national developments, the exact number of participants in the Staff Exchange Programme would be decided subject to the operational arrangements of HKSARG and the Mainland municipal governments.

Consultancy services on human resource management

45. Referring to paragraph 15 of the paper, Ms LI Fung-ying enquired how the Administration came up with the number of officers covered by the human resource management consultancy services. DSCS3 explained that the 30 000 officers benefited from the consultancy services in 2004-05 referred to the number of participants in projects including seminars/workshops which CSTDI helped organize on relevant topics. Such consultancy services had been provided to about 50 departments to facilitate experience sharing and exposure to best practices in human resource management.

New training programme for members of the clerical and secretarial grades

46. Noting from paragraph 21 of the paper that GGO of CSB had launched a new training programmes for members of the clerical and secretarial grades, Mr KWONG Chi-kin doubted whether it was in the Administration's view that the performance of members of these grades was unsatisfactory and their work skills needed to be upgraded through special training programmes targeted at them. Mr KWONG also pointed out that contrary to the Administration's claim that there was

surplus staff in the clerical and secretarial grades, he was given to understand from members of these grades that departments/bureaux were employing NCSC staff to take up clerical and secretarial duties and in effect were replacing civil service posts with NCSC posts. Mr KWONG criticized the Administration for being unfair to members of the clerical and secretarial grades.

47. In reply, PSCS advised that CSB monitored the manpower positions in departments and bureaux through the annual manpower plans submitted by HoDs and DoBs. To achieve the goal of maintaining a lean and efficient civil service, HoDs and DoBs had made continuous efforts in streamlining work procedures, re-engineering and re-prioritizing service delivery. Coupled with the employment of information technology in service delivery, the workload of some supporting staff, such as those taking up clerical and secretarial duties, had been reduced. While there were identified or anticipated staff surplus in certain civil service grades, PSCS stressed that the Administration had pledged not to resort to any redundancy plan in dealing with staff surplus. Instead, voluntary exit schemes such as two rounds of VR Schemes and internal redeployment among government departments were arranged. For example, about 500 clerical staff had been deployed to the Immigration Department to assist in the Smart Identity Card replacement exercise and some others had been deployed to the Integrated Call Centre of the Efficiency Unit to answer public enquiries and complaints. PSCS pointed out that the clerical and secretarial grades had some 20 000 members serving in over 60 government departments, mainly providing internal support in areas such as financial, general administration and human resources. Given that the skills required for the new duties, such as answering enquiries with the assistance of information technology, were different from the existing work skills required for performing internal support services, the Administration had launched new training programmes for members of the clerical and secretarial grades with a positive objective of providing suitable training in professional know how and skills, as well as fostering positive thinking for adapting to the changing work demands and environment, before posting them to take on the new duties.

48. As to Mr KWONG Chi-kin's concern about the employment of NCSC staff to take up clerical and secretarial duties, PSCS advised that there was strict control over the employment of NCSC staff for taking up such duties. Under the current arrangement, HoDs were required to seek assistance from GGO for deployment of suitable civil servants from the existing pool of staff. HoDs could only recruit NCSC staff to take up the duties if their requests for deployment could not be met. Mr KWONG Chi-kin was however concerned that under the financial envelope arrangement, HoDs would try to reduce expenditure on staff cost by replacing civil service posts with NCSC posts. PSCS pointed out that the staff cost factor had been taken into consideration in the current redeployment mechanism under the central administration of GGO. She assured members that HoDs would not, for cost-saving reason, decline GGO's arrangement for deployment from the existing pool of staff to meet their service needs.

Admin 49. To facilitate Members' understanding of the existing position, Mr KWONG Chi-kin requested the Administration to provide information on the number of NCSC staff whose jobs were comparable to certain civil service jobs, with a breakdown by bureaux/departments, and measures that the Administration would take to address the situation. PSCS undertook to provide the required information when the Administration briefed the Panel on the employment of NCSC staff in April 2005.

Training opportunities for NCSC staff and temporary staff

Admin 50. Referring to the proposed external training sponsorship scheme for front-line staff, Mr WONG Kwok-hing was concerned whether NCSC staff and temporary staff employed by government departments would be eligible to apply for the financial assistance under the scheme, and if not, whether there were any training courses provided to these staff to upgrade their work skills. DSCS3 pointed out that the new training sponsorship scheme for front-line staff was proposed for encouraging civil servants to pursue learning to enhance their knowledge, personal effectiveness and qualifications, and was not intended for providing financial assistance to NCSC staff or temporary staff. DSCS3 also pointed out that depending on the need to equip the staff concerned with the work skills to meet their job requirements, departments would provide vocational training to NCSC staff as and when necessary. At the request of Mr WONG, DSCS3 undertook to provide information on the training for NCSC staff when the Administration briefed the Panel on the employment of NCSC staff in April 2005.

51. Mr WONG Kwok-hing considered that the Administration was discriminating against NCSC staff and temporary staff for not providing them with the same training opportunities provided to civil servants. He requested to put on record his strong dissatisfaction with this discrimination. Mr WONG further opined that the Administration had treated staff employed under the NCSC Staff Scheme in an unfair manner as they were performing duties similar to their civil servants counterparts but receiving lower pay. He therefore requested the Administration to review the NCSC Staff Scheme expeditiously.

52. Mr Howard YOUNG however held different view. He pointed out that training for civil servants was an investment rather than staff welfare. In providing training opportunities to its employees, the Government should accord priority to permanent staff with potential for development. He considered that training resources would only be put to the best use for generating reasonable returns if priority would be given to permanent staff.

53. SCS responded that while both civil servants and NCSC staff would be provided with vocational training to equip them with the required work skills, generic training aimed at widening exposure and upgrading general effectiveness would primarily be provided to civil servants on the permanent establishment, for enhancing their resilience and their capacity to meet future challenges and to adapt

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to changes. SCS pointed out that the current arrangement for provision of training was made for the efficient and prudent use of public resources and was not in any way discriminating against NCSC staff. At Mr WONG Kwok-hing's request, SCS undertook to consider providing information on the training programmes open to civil servants at different levels.

54. On Mr WONG Kwok-hing's comment about the pay level of NCSC staff, SCS pointed out that the Government had drawn up detailed guidelines on the employment of NCSC staff for HoDs to observe. As a general principle, the terms and conditions for employment of NCSC staff should be no less favourable than those provided for under the Employment Ordinance (Cap. 57). While appreciating that there would be different views on the appropriate pay level for NCSC staff, SCS stressed that as long as the Government offered reasonable terms of appointment to NCSC staff in line with those offered in the market, the differences in the pay levels for NCSC staff and civil servants should not be seen as a discrimination. In this connection, SCS pointed out that civil service pay was determined by a number of factors, including pay adjustment and annual increments. To address the public concern about whether disparity existed between the pay levels of the civil service and those of the private sector, the Administration would conduct a PLS as part of the exercise for the development of an improved civil service pay adjustment mechanism.

Mechanism for making training arrangements

55. Ms LI Fung-ying sought information on the arrangements for releasing staff to attend training programmes, in particular, whether the staff concerned would be required to take leave and if so, whether there were any restrictions on the period of leave to be taken in this regard. In reply, DSCS3 explained that as a general practice, HoDs would release staff to attend vocational training programmes and there was no need for the staff concerned to take leave for this purpose. For participation in generic training programmes, HoDs might exercise discretion in releasing staff subject to exigencies of service. DSCS3 added that for the new external training sponsorship schemes to be launched in 2005-06, while financial assistance would be provided to successful applicants to pursue studies, they were expected to attend the training programmes outside their normal working hours.

56. Ms LI Fung-ying was concerned whether a fair and reasonable mechanism was in place for identifying suitable candidates for the various training programmes. DSCS3 responded that circulars would be issued well in advance to call for enrollment to training programmes organized by CSTDI on a quarterly or an annual basis. HoDs would recommend to CSTDI the lists of participants for different training programmes subject to the interest indicated by the relevant officers as well as the operational needs of the departments.

57. PSCS also pointed out that for training programmes of shorter duration, such as seminars or workshops, relevant officers might enroll in response to call circulars

subject to the recommendations of their respective HoDs. For training and development programmes of longer duration, i.e. those lasting for a few weeks to one year, selection of the suitable participants would be made in a more structured manner. Interest in and need for training would be set out in the annual performance appraisal reports and discussed at appraisal interviews. For certain grades, the training needs and potential of the officers concerned were assessed by a special committee on training, involving other parties in addition to the immediate supervisors or respective HoDs of the officers concerned in the selection of suitable participants for training programmes of longer duration, such as overseas trainings. This mechanism facilitated the selection of officers with potential for development and formed part of the succession planning in the civil service. PSCS considered the existing mechanism highly transparent and fair.

V. Any other business

58. There being no other business, the meeting ended at 1:00 pm.

Council Business Division 1
Legislative Council Secretariat
18 February 2005