

立法會
Legislative Council

LC Paper No. CB(1)1768/07-08
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by the Administration)

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**Subcommittee on Pension Benefits Ordinance
(Established Offices) (Amendment) (No. 2) Order 2008**

**Minutes of first meeting on
Thursday, 15 May 2008, at 10:45 am
in Conference Room B of the Legislative Council Building**

- Members present** : Hon KWONG Chi-kin (Chairman)
Hon LEE Cheuk-yan
Hon CHAN Yuen-han, SBS, JP
Hon SIN Chung-kai, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon Audrey EU Yuet-mee, SC, JP
- Public Officers attending** : **Agenda item II**

Mr K S SO
Deputy Secretary for the Civil Service 2

Ms Maggie WONG
Principal Assistant Secretary for the Civil Service
(Conditions of Service)

Ms Karmen KWOK
Government Counsel
Department of Justice
- Clerk in attendance** : Mr Andy LAU
Chief Council Secretary (1)2
- Staff in attendance** : Miss Winnie LO
Assistant Legal Adviser 7

Mr Noel SUNG
Senior Council Secretary (1)4

Action

I Election of Chairman

Mr LEE Cheuk-yan, the member who had the highest precedence among members of the Subcommittee, presided over the election of Chairman. Mr KWONG Chi-kin was nominated by Ms LI Fung-ying. The nomination was seconded by Miss CHAN Yuen-han. Mr KWONG accepted the nomination. There being no other nomination, Mr KWONG Chi-kin was elected Chairman.

II Meeting with the Administration

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| (File Ref: CSBCR/PG/4-085-001/24 Pt. 12
LC Paper No. LS 78/07-08 | - Legislative Council Brief
- Legal Service Division Report |
| LC Paper No. CB(1)1523/07-08(01) | - LN 104 of 2008 — Pension Benefits Ordinance (Established Offices) (Amendment) (No. 2) Order 2008 |
| LC Paper No. CB(1)1524/07-08 | - Paper on Pension Benefits Ordinance (Established Offices) (Amendment) (No. 2) Order 2008 prepared by the Legislative Council Secretariat (Background brief) |
| LC Paper No. CB(1)1523/07-08(02) | - Submission from Hong Kong Civil Servants General Union Negotiation Committee |
| LC Paper No. CB(1)1523/07-08(03) | - Submission from Model Scale 1 Staff Consultative Council (Staff Side) |
| LC Paper No. CB(1)1523/07-08(04) | - Submission from Hong Kong Leisure and Cultural Services Department Employees General Union |
| LC Paper No. CB(1)1523/07-08(05) | - Submission from Government Property Attendants Association |
| LC Paper No. CB(1)1523/07-08(06) | - Submission from Hong |

Action

LC Paper No. CB(1)1523/07-08(07)	-	Kong Police Force Model Scale 1 Staff Association Submission from Hong Kong Food and Environmental Hygiene Department Employees Association
LC Paper No. CB(1)1523/07-08(08)	-	Submission from Hong Kong Government Water Supplies Department Employees Union (Chinese version only)

2. The Subcommittee deliberated (index of proceedings attached at **Annex**).
3. The Subcommittee noted the written submissions tabled at the meeting which were circulated to members through Lotus Notes after the meeting.
4. Members were concerned that MOD 1 staff would be subject to inter-departmental posting if they opted for Category A status, and the arrangement seemed to facilitate the Government's outsourcing of its services. When a service had been outsourced, the MOD 1 staff who had opted for Category A status might be transferred to another department without regard to their original stream of work, and they would not be able to object to taking up a job of a different stream. If the MOD 1 staff could not adapt to a new working environment in another department, they might not be allowed to revert to the original department.
5. Members were of the view that since the conversion decision was irrevocable, a longer option period should be allowed, or the MOD 1 staff should be allowed to opt for conversion of status at any time.
6. After deliberation, the Administration was requested to provide:
 - (a) a paper providing information on the number of MOD 1 staff in the various grades/work streams in different Government departments, any surplus/shortage of MOD1 staff in these departments, and whether the departments had any plan to outsource the services currently performed by the six common grades of MOD 1 staff; and
 - (b) details of the inter-departmental posting arrangements, e.g. written guidelines to ensure that MOD 1 staff of a particular work stream would not be posted to perform duties in another stream in another department, and the setting up of an appeal mechanism for MOD 1 staff who could not adapt to the new working environment of a different department to seek redress.
7. Members agreed that representatives of the relevant MOD 1 staff associations should be invited to attend the next Subcommittee meeting to present their views regarding the conversion proposal.

Action

III Any other business

8. There being no other business, the meeting ended at 12:15 pm.

Council Business Division 1
Legislative Council Secretariat
3 June 2008

**Subcommittee on Pension Benefits Ordinance
(Established Offices) (Amendment) (No. 2) Order 2008**

**Proceedings of the first meeting
on Thursday, 15 May 2008, at 10:45 am
in Conference Room B of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
<i>Agenda Item I – Election of Chairman</i>			
000000 - 000144	Mr LEE Cheuk-yan Members	Opening remarks and election of Chairman	
<i>Agenda Item II – Meeting with the Administration</i>			
000145 - 000437	Administration	Brief by the Administration	
000438 - 001204	Ms LI Fung-ying Administration	<p>Ms LI enquired whether measures would be taken to allay Model Scale 1 (MOD 1) staff's worry about inter-departmental postings if they opted to convert to Category A status, and whether more incentives, apart from an increased leave accumulation limit and so called better job security, would be offered to MOD 1 staff in opting for the change of status. Ms LI further asked whether MOD 1 staff could refuse to transfer to another department under the inter-departmental posting system.</p> <p>The Deputy Secretary for the Civil Service 2 (DSCS2) explained that inter-departmental posting would be arranged only when there was a mismatch in demand and supply of MOD 1 common grade staff among the departments. The seniority, experience, skills and qualifications of the staff involved would be taken into consideration when inter-departmental posting was arranged, and MOD 1 common grade staff appointed to designated work streams would only be deployed to posts of their respective streams. The management would take into account the views of the staff concerned in arranging the inter-departmental postings. The conversion would provide enhanced job security to the MOD 1 staff concerned in that they could revert to their parent grade if they failed to pass the trial bar after transferring to another grade in the civil service, and the Public Service Commission would be consulted on any disciplinary actions against them.</p>	
001205 - 001957	Mr LEE Cheuk-yan	Mr LEE opined that the inter-departmental	

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	Administration	<p>posting arrangement was to facilitate the Government in outsourcing its services. After the services had been outsourced, the MOD 1 staff who had opted for Category A status might be transferred to another department without regard to their original stream of work. Mr LEE enquired whether the same leave earning rate was applied to all Category A officers.</p> <p>DSCS2 responded that the conversion proposal was not related to Government's outsourcing policy. The surplus MOD 1 staff could not be posted to another department if the latter had no shortage of MOD 1 staff in the same grade. DCSC2 said that under the inter-departmental posting arrangement, a MOD 1 common grade staff of a particular stream would only be deployed to a post of the same grade and stream in another department, and the Administration would further explain the arrangements to the staff side of MOD 1 Staff Consultative Council (MOD 1 SCC). DSCS2 clarified that the different streams of MOD 1 staff were not specified under any law and such classifications were made to facilitate administrative arrangements.</p> <p>The Principal Assistant Secretary (Conditions of Service) (PAS(COS)) supplemented that the leave entitlements for civil servants appointed on or after 1 June 2000 were 14, 18 and 22 days a year for officers with less than 10 years' service at Master Pay Scale below Point 14 (including MOD 1), between Point 14 and 49, and on Directorate Pay Scale respectively. The leave accumulation limits for these officers were 28, 36 and 44 days respectively.</p>	
001958 - 002739	Miss CHAN Yuen-han Administration	<p>Miss CHAN expressed concern that the authority for the posting arrangement of MOD 1 staff rested with the management and MOD 1 staff would have no say on the inter-departmental posting arrangement. She asked if arrangements could be made to allow a MOD 1 staff who could not adapt to a new working environment in another department to revert back to his original post.</p> <p>DSCS2 pointed out that many civil</p>	

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		<p>servants, including those in the general grades, were subject to inter-departmental postings, and the management would take into consideration the experience, skills and qualifications of the staff, and where practicable, their preference in arranging the postings. Whether a staff could adapt to a new posting would be dealt with as management issues, with a view to optimizing the performance of a staff and providing a harmonious working environment to civil servants.</p>	
002740 - 003455	Mr TAM Yiu-chung Administration	<p>Mr TAM noted that the staff side of the MOD 1 SCC had demanded for Category A staff status for MOD 1 staff for many years. He opined that consideration could be given to gradually improving the conditions of employment for the staff, e.g. enhanced leave earning rate, after the conversion. He requested that a longer period should be granted for MOD 1 staff to consider whether they should opt for the conversion of Category A status, as the decision was irrevocable.</p> <p>DSCS2 responded that in the absence of any major change in the duties and skills required of MOD 1 staff, there was no justification to alter the terms and conditions of employment for MOD 1 staff, which had been improved over the years. For example, the difference in salaries and incremental points between grades in the MOD 1 Pay Scale and the Master Pay Scale had been narrowed, the conditioned working hours for MOD 1 staff had been reduced from 48 hours net per week to 45 hours net per week in 1988. The Standing Commission on Civil Service Salaries and Conditions of Service (Standing Commission) supported the arrangements of the conversion proposal. The Government would further consult the MOD 1 SCC on the time allowed for MOD 1 staff to opt for the conversion.</p>	
003456 - 004313	Mr LEE Cheuk-yan Administration	<p>Mr LEE requested that the Administration should provide (a) the number of MOD 1 staff in the various grades/work streams in different departments, and any surplus/shortage of MOD1 staff in these departments; and (b) written commitments to ensure that, under the inter-departmental posting arrangement, MOD 1 staff of a</p>	<p>The Administration should provide (a) the number of MOD 1 staff in the various grades/ work streams in different departments, and any surplus/shortage of</p>

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		<p>particular work stream would not be posted to perform duties in another stream in another department. Mr LEE opined that when the Government outsourced its services, there would be a surplus of MOD 1 staff leading to a mismatch of the demand and supply of MOD 1 staff. Mr LEE also enquired about the leave earning rate for MOD 1 staff. He was of the view that MOD 1 staff who joined the civil service before 1 June 2000 and had worked in the civil service for 10 or more years should be granted 31 days leave a year.</p> <p>DSCS2 undertook to provide the Subcommittee with information regarding the different grades and work streams of MOD 1 staff. PAS(COS) explained that the leave earning rates for MOD 1 staff and officers on Master Pay Scale below Salary Point 14, who had 10 or more years of service appointed on local terms before 1 January 1999, were 22 days and 31 days a year respectively. However, MOD 1 staff and staff on Master Pay Scale below Salary Point 14, who were appointed on or after 1 June 2000, enjoyed the same leave earning rate i.e. 14 days a year for officers with less than 10 years' service or 18 days a year for officers with 10 or more years' service. PAS(COS) reiterated that since the duties and skills required of MOD1 staff had not changed, and the recent Pay Trend Survey showed that the leave benefit of MOD 1 staff in the civil service was comparable to that of their counterparts performing similar jobs in the private sector, there was no justification to change the existing leave earning rate for MOD 1 staff.</p> <p>Mr LEE enquired whether there was any plan to convert all MOD 1 staff into officers under the Master Pay Scale.</p> <p>DSCS2 responded that the current conversion proposal was made after years of discussion with the staff side of the MOD 1 SCC and careful consideration by the Government on the terms and conditions of employment of MOD 1 staff. At present, there was no plan to migrate all MOD1 staff to the Master Pay Scale, and change the terms and conditions of service</p>	<p>MOD1 staff in these departments. and (b) details of the inter-departmental posting arrangements, e.g. written guidelines to ensure that MOD 1 staff of a particular work stream would not be posted to perform duties in another stream in another department, and the setting up of an appeal mechanism for MOD 1 staff who could not adapt to the new working environment of a different department to seek redress.</p>

Time marker	Speaker	Subject(s)	Action required
		of MOD 1 staff.	
004314 - 005034	Ms LI Fung-ying Administration	<p>Ms LI asked whether the Administration would waive the deadline for MOD 1 staff to opt for conversion so that MOD 1 staff could apply to change their status at any time. Ms LI opined that consideration should be given to gradually converting MOD 1 staff into grades under the Master Pay Scale, and improving the employment terms and conditions of MOD 1 staff to conform with those for officers under the Master Pay Scale of similar grades and years of service. Ms LI requested that the Administration should list out the specific work streams of the existing 10 000 MOD 1 staff posts.</p> <p>DSCS2 reiterated that in the absence of any change to the duties and skills of MOD 1 staff, there was no justification to change the terms and conditions of employment for the staff. The Administration and staff side of MOD 1 SCC considered that in order to ensure stability and consistency, a deadline had to be set for MOD 1 staff to opt for the conversion of status. The Government would further consult the staff side of the MOD 1 SCC regarding the length of the option period.</p>	
005035 - 005835	Miss CHAN Yuen-han Administration	<p>Miss CHAN opined that better arrangements should be made for the inter-departmental posting system, e.g. guidelines should be laid down for a MOD 1 staff to seek another posting under the inter-departmental posting system if he could not adapt to the new working environment in a different department.</p> <p>DSCS2 reiterated that inter-departmental posting of MOD 1 common grade staff would only be effected when there was a mismatch of supply and demand of such staff in different departments and the experience, skills and qualifications of staff would be taken into consideration. When a staff was found unable to adapt to a new job, the Heads of Department would take steps to assist the MOD 1 staff concerned, e.g. provide further training for the staff or re-deploy the staff to another post. The Government would further consult the staff side of MOD 1 SCC on</p>	

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		the inter-departmental posting arrangements, including the issue of guidelines for deployment of MOD 1 common grade staff under the system.	
005836 - 010123	Chairman	The Chairman expressed concern that MOD 1 staff who were subject to frequent inter-departmental posting might be forced to resign. He opined that an appeal system should be established for MOD 1 staff who could not adapt to the new working environment of a different department to seek redress.	
010124 - 010602	Mr LEE Cheuk-yan Administration	<p>In response to Mr LEE's enquiry, DSCS2 stated that currently only MOD1 staff in the general grade, i.e. Supplies Attendant, were subject to inter-departmental posting; other MOD1 staff in the six common grades and four departmental grades were only subject to postings within their respective departments. Upon implementation of the conversion proposal, inter-departmental posting would be arranged only when there was a surplus of MOD 1 common grade staff in one department and a shortage of MOD1 staff of the same grade and work stream (if applicable) in another department.</p> <p>Mr LEE enquired about the fall-back arrangements if no MOD 1 staff opted for the new status.</p> <p>DSCS2 responded that the conversion proposal was drawn up in response to request of the staff side of the MOD 1 SCC and after assessment of the future manpower requirement of MOD 1 staff. MOD 1 staff were given the option to change their status or remain as Category B officers.</p>	
010603 - 010656	Chairman	The Chairman opined that more incentives and measures to address MOD 1 staff's concerns should be provided in order to ensure the success of the conversion exercise.	
010657 - 011243	Miss CHAN Yuen-han Administration	Miss CHAN enquired whether currently there was a surplus of manpower in any of the MOD 1 grades; and if not, the reason for the need of an inter-departmental posting mechanism. DSCS2 responded that based on the	

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		<p>assessment of the manpower requirements of MOD 1 grades, there was no surplus manpower in MOD1 common grades at present and in the foreseeable future. The inter-departmental posting arrangement was included in the conversion proposal to provide flexibility for the management in deployment of staff.</p>	
011244 - 011502	Ms LI Fung-ying Administration	<p>Ms LI pointed out that it was stated in paragraph 6 of LC Paper No. CB(1)1129/07-08(04) that there would be a mismatch between demand and supply of MOD 1 staff at departmental level.</p> <p>DSCS2 reiterated that the inter-departmental posting arrangement was included in the conversion proposal to cater for possible mismatch of MOD 1 common grade staff situations.</p> <p>Mr LEE asked whether all Category A officers were subject to inter-departmental posting.</p> <p>DSCS2 responded that different grades of officers were subject to different posting arrangements irrespective of whether they were Category A or B officers.</p>	
011503 - 011755	Mr LEE Cheuk-yan Administration	<p>Mr LEE asked whether the Administration would consider withdrawing the inter-departmental posting condition from the conversion proposal in view of the grave concern of some staff associations. Mr LEE suggested and members agreed that representatives from the relevant staff associations should be invited to attend the Subcommittee meeting to express their views about the conversion proposal.</p> <p>DSCS2 responded that the conversion proposal was offered as a total package to MOD 1 staff to opt for a change of status on an entirely voluntary basis.</p>	
011756 - 012424	Miss CHAN Yuen-han Administration	<p>Miss CHAN requested that the Administration should provide information as to whether Government departments had any plan to outsource the services currently performed by the six common grades of MOD 1 staff.</p> <p>DSCS2 undertook to provide the</p>	<p>The Administration should provide information as to whether Government departments had any plan to outsource the services currently performed by the six</p>

Time marker	Speaker	Subject(s)	Action required
		information.	common grades of MOD 1 staff.
<i>Agenda Item III – Any other business</i>			
012425 - 012802	Chairman	The Chairman remarked that the Secretariat would consult members and work out the meeting schedule for the Subcommittee.	
012803 - 012815	Chairman	There being no other business, the meeting ended at 12:15 pm	

Council Business Division 1
Legislative Council Secretariat
3 June 2008