

立法會
Legislative Council

LC Paper No. CB(1)532/10-11
(These minutes have been seen
by the Administration)

Ref : CB1/PL/ PS/1

Panel on Public Service

**Minutes of meeting held on
Monday, 18 October 2010, at 10:45 am
in the Chamber of the Legislative Council Building**

Members present : Hon Mrs Regina IP LAU Suk-ye, GBS, JP (Chairman)
Hon IP Wai-ming, MH (Deputy Chairman)
Hon LEE Cheuk-yan
Dr Hon Margaret NG
Hon CHEUNG Man-kwong
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, SBS, JP
Dr Hon PAN Pey-chyou

Member attending : Hon WONG Kwok-hing, MH

Members absent : Dr Hon LEUNG Ka-lau
Hon WONG Sing-chi
Hon LEUNG Kwok-hung

Public officers attending : **Agenda item III**

Miss Denise YUE, GBS, JP
Secretary for the Civil Service

Mrs Ingrid YEUNG, JP
Deputy Secretary for the Civil Service 1

Mr Brian LO, JP
Deputy Secretary for the Civil Service 2

Ms Shirley LAM
Deputy Secretary for the Civil Service 3

Mr Patrick CHAN Nim-tak, JP
Director of General Grades

Agenda item IV

Miss Denise YUE, GBS, JP
Secretary for the Civil Service

Mrs Ingrid YEUNG, JP
Deputy Secretary for the Civil Service 1

Mr Johann WONG
Principal Assistant Secretary (Appointments)

Clerk in attendance: Ms Joanne MAK
Chief Council Secretary (1)2

Staff in attendance : Ms Sarah YUEN
Senior Council Secretary (1)6

Miss Pauline NG
Legislative Assistant (1)5

Action

I Information papers issued since the last regular meeting on 21 June 2010

(LC	Paper	No. —	Administration's response to
CB(1)2497/09-10(01)			the submission from the
			Education Employees
			General Union complaining
			about Education Bureau's
			failure to comply with the
			pay policy of the Government

		in the calculation of salaries of government school teachers and subsidized school teachers
LC Paper CB(1)2755/09-10(01)	No. —	21st Report on the Work of the Advisory Committee on Post-service Employment of Civil Servants
LC Papers CB(1)2863/09-10(01) (02)	Nos. — and	Memo from the Secretariat's Complaints Division referring to the Panel a complaint letter from the Association of Liaison Officers, Home Affairs Department, and the Administration's relevant response)

Members noted the above papers issued since the last regular meeting on 21 June 2010.

II Items for discussion at the next meeting scheduled for 15 November 2010

(LC Paper No. — List of outstanding items for
CB(1)50/10-11(01) discussion

LC Paper No. — List of follow-up actions)
CB(1)50/10-11(02)

2. Members agreed to discuss the following items proposed by the Administration at the next regular meeting on 15 November 2010 –

(a) Employment of non-civil service contract (NCSC) staff;
and

(b) Leadership and management training for the civil service.

3. Referring to a memo from the Complaints Division on a submission from the Association of Liaison Officers concerning overtime work arrangements and a written response to that submission from the Administration (LC Papers Nos. CB(1)2863/09-10(01) and (02)), Ms LI Fung-ying suggested to discuss the matter at the next meeting. The

Chairman proposed and members agreed to discuss, instead of a single complaint case, the wider policy issue concerned. As such, the Panel agreed to discuss "Policy on overtime work compensation" at the November meeting. Pointing out that she had received similar complaints from other grades, the Chairman said that she would also provide the relevant information to the Administration for a consolidated response.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, discussion on the item "Leadership and management training for the civil service" was subsequently deferred to a later meeting.)

4. The Panel agreed to add "Amendments to disciplined services regulations and related instructions" to the list of outstanding items for discussion. The Administration planned to submit a paper on the subject in December 2010.

III Briefing by the Secretary for the Civil Service on the policy initiatives of the Civil Service Bureau featuring in the 2010-2011 Policy Address

(LC	Paper	No. —	Administration's	paper	on
CB(1)49/10-11(01)			policy initiatives	of the	Civil
			Service Bureau	under	the
			2010-2011 Policy	Address	and
			Policy Agenda		

The 2010-2011 Policy Address and Policy Agenda)

5. The Secretary for the Civil Service (SCS) briefed members on the Government's new and on-going initiatives relating to the Civil Service Bureau (CSB).

Engagement of non-civil service contract staff and agency workers

Conversion

6. Mr WONG Kwok-hing enquired about the progress in converting NCSC positions to civil service posts. SCS responded that around 3 200 of the some 4 000 NCSC positions identified for conversion in the 2006 review of the NCSC staff situation had already been converted. The remaining 800-odd positions were planned to be phased out progressively

in the coming two financial years or so having regard to the end-dates of the existing employment contracts of the NCSC staff concerned. SCS further said that in determining whether to employ NCSC staff, Heads of Departments (HoDs) had to comply with certain guiding principles. Since November 2006, CSB had provided each HoD with the upper limit on the number of NCSC staff he might employ. SCS added that a discussion paper on the NCSC staff situation would be provided for the next Panel meeting on 15 November 2010.

7. Mr LEE Cheuk-yan said that the respective reviews on the mode of service delivery of Radio Television Hong Kong (RTHK) and of public libraries and museums managed by the Leisure and Cultural Services Department (LCSD) were coming to an end. He asked whether the conversion of NCSC positions to civil service posts so far withheld in these two departments would proceed upon completion of the reviews. In response, SCS said that since the Government had decided to retain RTHK as a government department for provision of public service broadcasting and that LCSD would continue to manage public museums, the Administration had been assisting the two departments in converting the NCSC positions concerned to civil service posts in the light of the outcome of the reviews. The conversion would be taken forward progressively having regard to the end dates of the contracts of the NCSC staff concerned, and additional civil service posts had already been approved for converting some NCSC positions. As to public library services, CSB had yet to be notified of the way forward in this regard but once a decision was made, the Administration would deal with any NCSC positions that needed to be converted into civil service posts in accordance with the way forward.

8. Mr LEE Cheuk-yan enquired about the timetable for the conversion of the NCSC positions in RTHK and LCSD, and questioned why the process could not be expedited by seeking the consent of the NCSC staff concerned to terminate their employment contracts earlier. SCS responded that under the present policy, there was no “through train” arrangement for NCSC staff to become civil servants. Instead, they had to apply for civil service vacancies through an open and fair recruitment process.

9. Mr LEE Cheuk-yan considered that it was unfair and demoralizing that when a NCSC staff member was selected for appointment as a civil servant, the periods of his/her previous employment with the Government on contract terms were not taken into account and counted towards the provision of incremental credits. As a result, the staff member would

only receive pay at the starting salary point of the relevant rank. Mr LEE pointed out that as a result of this unfair arrangement, the Highways Department was facing a brain drain problem as many of its experienced NCSC staff members had declined offers for appointment as civil servants. Mr LEE considered that the bureaux/departments (B/Ds) concerned should be given discretion to determine the offer of incremental credits to suitable applicants who were NCSC staff in order to attract them to fill the civil service posts concerned. In response, SCS explained that in accordance with the principle of prudent management of public resources, new appointees to the civil service generally received pay at the starting salary point of the relevant rank. The appointment authority would grant incremental credits only when there were serious recruitment difficulties encountered and there was a specific operational need to recruit persons with relevant working experience.

Admin

10. Mr LEE Cheuk-yan maintained that for the sake of fairness and talent retention, flexibility should be allowed in determining the pay for NCSC staff converted to civil servants, especially as the staff of RTHK had mostly been employed on NCSC terms for over 10 years. SCS explained that if sufficient suitable candidates could be recruited to fill the posts concerned at the starting salary point, there would be no justifications for granting incremental credits. At Mr LEE's request, SCS agreed to address this in the paper on "Employment of NCSC staff" to be submitted for the next meeting.

The number of non-civil service contract staff/agency workers vis-à-vis that of civil servants

11. Mr WONG Kwok-hing considered that the Administration should cease the use of agency workers to rectify associated problems such as middle-man exploitation. In response, SCS advised that the Administration intended to submit a paper in December 2010 to update the Panel on the latest position on the use of agency workers in B/Ds. She added that as reported to the Panel in the last legislative session, the Administration had issued guidelines to advise B/Ds that use of agency workers might only be considered under specific circumstances, such as meeting urgent or unforeseen service needs or unexpected surge in service demands for the short-term.

12. Mr LEE Cheuk-yan expressed concern about the increasing use of NCSC staff and agency workers to meet growing public demand for government services. In his view, the above development might aggravate labour exploitation because these two categories of staff could

not enjoy the fringe benefits available to civil servants and, worse still, reasonable pay rise. He was also concerned that the number of agency workers in B/Ds might be further increased with the imposition of upper limit on the number of NCSC staff they might employ. Ms LI Fung-ying was also concerned that the number of NCSC staff and agency workers in some departments might even exceed that of civil servants. She suggested that the percentages of the civil servants, NCSC staff and agency workers respectively working in every department should be reviewed to ensure that the ratio of the former to the latter two categories of staff was reasonable. The Chairman shared her view, and expressed concern that the number of NCSC staff employed by the Buildings Department (BD) might have exceeded that of civil servants.

13. SCS responded that there was already flexibility under the current arrangement in allowing HoDs to request CSB to increase the specified upper limit where necessary. She further clarified that the number of civil servants in BD was greater than that of its NCSC staff. The number of agency workers in BD was not significant when compared to the Department's overall staff complement.

14. The Deputy Chairman considered it undesirable that no rigid ceilings were imposed on the engagement of NCSC staff and agency workers. He pointed out that in fact at one time almost half of BD staff were NCSC staff, and the number had only recently dropped to below 1 000. In his view, the lack of such ceilings was not conducive to experience retention, which was important not only to BD but also to the Labour Department. As far as Labour Officers were concerned, experience was important in handling labour disputes effectively. He opined that the percentage of NCSC staff in any B/Ds should not be high or else service quality would be compromised.

15. In response, SCS made the following points –

- (a) the NCSC Staff Scheme, launched in 1999, had already been in operation for 10 years but so far no departments concerned had significantly reduced the number of its civil service posts. In fact, BD had its own team of civil servants responsible for demolition of unauthorized building works (UBWs). Its NCSC staff had only been engaged for the implementation of a 10-year time-limited programme to step up actions against UBWs. As such, the civil servants in BD who were responsible for demolition of UBWs had not been replaced by NCSC staff;

- (b) civil servants would continue to be engaged to deliver public services as long as it was ascertained that there was a long-term need for the services concerned, and that the tasks concerned should more appropriately be performed by civil servants; and
- (c) it would be undesirable to impose rigid ceilings on the engagement of NCSC staff and agency workers lest the move might reduce flexibility in responding to changes in operational needs. As such, proper monitoring to ensure compliance with the guidelines on the engagement of NCSC staff and agency workers might be a better approach.

Admin 16. The Deputy Chairman remained concerned that the increasing use of NCSC staff might lead to reduction in the civil service establishment. At his request, SCS agreed to, as far as practicable, provide in the Administration's paper on NCSC staff for the November meeting the ratio (as at 30 September 2010) of civil servants, NCSC staff and agency workers respectively working in government departments. In recognition that a long time would be required to collect the above details, the Chairman suggested that the Administration might consider providing the requested figures for only those departments which engaged the largest number of NCSC staff, particularly BD.

The civil service establishment

17. Ms LI Fung-ying expressed concern about the difference between the strength and establishment of the civil service, and queried if there had been any real increase in the establishment in recent years to meet the growing demand for public services.

18. In response, SCS assured members that there had been real establishment growth. Since 2007, both the strength and establishment of the civil service had grown by 0.8% to 1% on average every year. SCS further explained that there would always be a difference between the strength and establishment of the civil service in the region of 6 000 to 8 000 for various reasons. As an illustration, she explained that supernumerary posts would not be filled by recruiting staff on permanent terms because these positions were time-limited in nature. She also advised that some 1 000 to 3 000 posts would at any one time be left vacant pending the recruitment of suitable candidates to fill them. Noting the response, Ms LI Fung-ying opined that to provide a clearer

picture of the civil service establishment, all future references to it should include figures on both the strength and establishment of the civil service.

Civil service training

19. Dr PAN Pey-chyou opined that Hong Kong was a part of China, and national studies training should be made the most important component of civil service training to enable civil servants to acquire a better understanding of the Mainland China's systems and developments. Pointing out that only some 36 000 civil servants had participated in national studies courses and talks since 1997, Dr PAN urged the Administration to make greater efforts in providing relevant training.

20. SCS responded that even before the handover, the Administration had already been providing Chinese national studies training for civil servants. Since 1990, the Administration had also been organizing relevant courses for senior civil servants, such as the Tsinghua University Programme. SCS advised that efforts in this regard would be enhanced by increasing the number of resident programmes run by reputable institutions on the Mainland; and increasing the number of relevant local talks and half-day seminars featuring distinguished scholars, experts and senior officials from both the Mainland and Hong Kong. A new module on national studies would be introduced in the induction programme for new recruits of degree or professional grades. The number of civil servants participating in the above training would increase from 2 700 at present to 5 800 in the year 2011-2012. The Administration would also further enhance the current e-learning platform with new on-line courses on national studies for civil servants at all levels with more attractive presentation. In parallel, co-operation with the controlling officers of respective departments would also be enhanced to step up exchanges between staff of their departments and Mainland officials.

21. The Chairman enquired whether national studies could be incorporated in the induction courses for all new recruits in future. SCS responded that with the introduction of new on-line courses on national studies, all civil servants would have access to such training. Moreover, national studies would in the following year be made a new module in the induction programme for new recruits of degree or professional grades. Efforts were also made to request individual departments to do the same for civil servants at junior levels and to encourage them to visit the National Studies E-learning Portal.

22. The Chairman suggested that to ascertain civil servants' understanding of the Mainland, activities like quizzes and essay competitions offering prizes could be organized. Highlighting the difficulty for departments to release their directorate staff to attend resident programmes at training institutions on the Mainland, the Chairman proposed that consideration could be given to arranging for civil servants to attend conferences organized by such think tanks of the Mainland as the Development Research Centre of the State Council, which often organized high-quality conferences lasting only two days and charging relatively lower fees, or to attend the one-day and half-day seminars organized by the Hong Kong Alumni Association of the Chinese Academy of Governance in conjunction with the Mainland's Ministry of Foreign Affairs.

Other views and concerns

23. Referring to paragraph 155 of the 2010-2011 Policy Address, Mr CHEUNG Man-kwong asked if the Government was paving the way for changing its existing policy, i.e. civil servants who took up political appointments would not have "revolving door" arrangement and be able to rejoin the civil service without going through an open recruitment process. Stressing the need for civil servants to remain politically neutral, Mr CHEUNG expressed concern about the impacts of the "revolving door" arrangement if it also applied to the civil service.

24. SCS responded that in recognition of the great importance attached to the political neutrality of the civil service, the Government had no intention to change the policy of not applying the "revolving door" arrangement to civil servants. In response to Mr CHEUNG Man-kwong, SCS clarified that she had no plan to conduct any public consultation on the policy, as the Government within its current term had no intention to change it. Mr CHEUNG Man-kwong and the Chairman considered it necessary for the Chief Executive (CE) to give clarifications to address concerns about the said paragraph. Ms LI Fung-ying shared their views and further suggested that the clarification should be provided at the motion debate on the Policy Address. SCS agreed to relay the requests to CE.

Admin

25. Ms LI Fung-ying enquired whether the outcomes of the consultation with the staff sides on the adjustment mechanism to be adopted for salary revision arising from the six-yearly pay level survey (PLS) would be ready for report to the Panel during 2010-2011. SCS responded that a consensus had yet to be reached with the staff sides on

the issue. As the next PLS would be conducted in 2012, the Administration was endeavouring to reach a consensus on the matter before the conduct of the 2012 PLS.

IV Supplementary provision arising from the modification to the '3+3' civil service entry system

(LC CB(1)49/10-11(02)	Paper	No.—Administration's	paper on supplementary provision arising from the modification to the '3+3' civil service entry system
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LC CB(1)2304/09-10(01)	Paper	No. —Administration's	paper on Revision to the '3+3' Civil Service Entry System)
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26. SCS briefed members on the Administration's paper seeking Members' support to ask for the approval of the Finance Committee (FC) in November 2010 for a supplementary provision of \$30 million in 2010-2011 to meet an estimated increase in expenditure arising from the modification to the entry system for recruitment to the basic ranks in the civil service.

27. Ms LI Fung-ying noted that the Administration was assessing the suitability for permanent appointment of serving agreement officers who had opted for further appointment on new permanent terms with effect from 1 July 2010. In response to her on the assessment outcomes and likely arrangements if these officers were found unsuitable, SCS elaborated that the outcomes were not available yet because the period for officers to consider whether to opt for confirmation to the permanent establishment had only ended in the latter half of August and assessment had only started after that. However, she believed that few civil servants would be found unsuitable for permanent appointment, based on the fact that, since the promulgation of the '3+3' system in June 2000 and until March 2009, only five (or 0.02%) had left the civil service during or upon completion of the three-year agreement period (i.e. the second limb of the '3+3' system) due to unsatisfactory performance or conduct; and only 35 had left during the initial three-year probation period. In the rare case that a serving agreement officer was found unsuitable, unless disciplinary action was involved, he would most likely continue to serve out his existing three-year agreement, and be assessed again for suitability for appointment to the permanent establishment thereafter. If, however, he was liable to disciplinary action and the punishment was dismissal, he would be asked to leave the service. At Ms

LI's request, SCS agreed to report the assessment outcomes to the Panel when available in late 2010.

28. While welcoming the modification to the entry system, the Chairman highlighted a case where a civil servant's probation period had been shortened from the normal three years to one and a half years in recognition of his/her relevant working experience. However, as different from those officers who as a result of the modification proposal might be offered permanent appointment after serving a three-year probation period, the officer in the above case would only receive an amount equivalent to 5% of his income as the Government's contribution into his Civil Service Provident Fund (CSPF) account instead of the normal 15% enjoyed by civil servants. She enquired about the number of such cases and how the above highlighted unfairness could be addressed.

29. SCS responded that the modification proposal had nothing to do with the above differences in Government contribution under the CSPF Scheme. It appeared so only because the rate of contribution from the Government was determined by a civil servant's years of service, i.e. 5% for officers with less than three years' service, 15% for those with three to less than 15 years' service and higher rates than 15% for those with 15 years' service or more, and that the probation period was in most cases three years long. In the case quoted by the Chairman, because the officer concerned had not yet completed three years of continuous service when he was offered permanent appointment, the Government would only make the 5% contribution into his CSPF account. Upon the completion of three years of continuous service, however, the Government's contribution rate would be 15%. Although a civil servant only became a member of the CSPF Scheme on confirmation to the permanent establishment, the years of service of his probationary period, nonetheless, would count towards his service length under the CSPF Scheme. This explained why a civil servant subject to three years of probation would receive 15% Government contribution once he was confirmed to the permanent establishment after the probationary period, unless there was a service gap. As such, civil servants with different probation periods would at the end all enjoy a 15% and 17% Government contribution rate under the CSPF Scheme upon having completed their third and fifteenth year of service respectively.

30. Summing up, the Chairman said that the Panel supported submission of the current proposal to FC for further consideration.

V Any other business

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

Council Business Division 1
Legislative Council Secretariat
1 December 2010